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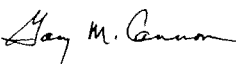
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Agency Name SC Workers' Compensation Commission	1. Chapter Number 67	2. Date of Filing : May 29, 2012
3. Regulation Number 67-1801 through 67-1809	4. Subject of Regulation Mediation	

5. Statutory Authority
1976 Code Section 42-3-30, 42-9-10 and 42-9-30 (21)

6. Type of Filing

- NOTICE OF GENERAL PUBLIC INTEREST
 NOTICE OF DRAFTING
 PROPOSED REGULATION
 EMERGENCY REGULATION
 FINAL REGULATION FOR GENERAL ASSEMBLY REVIEW
 RESUBMISSION OF WITHDRAWN REGULATION FOR GENERAL ASSEMBLY REVIEW
 RESUBMISSION OF WITHDRAWN REGULATION FOR GENERAL ASSEMBLY REVIEW WITH NO SUBSTANTIVE CHANGES
 FINAL REGULATION EXEMPT FROM GENERAL ASSEMBLY REVIEW

5. For Additional Information, Contact Gary M. Cannon, Executive Director	6. Telephone Number 803-737-5726
7. Typed Name of Official Gary M. Cannon, Executive Director	8. Signature of Official 
9. Date May 29, 2012	

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10. For publication in SR Volume ____ Issue ____ Document Number _____ Verification: _____	OFFICIAL FILING STAMP

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Workers' Compensation Commission

May 29, 2012

Ms. Deirdre Brevard-Smith
Editor, South Carolina State Register
P.O. Box 11489
Columbia, SC 29211

Dear Ms. Brevard-Smith:

The South Carolina Workers' Compensation Commission is respectfully submitting Document No. 4286 relating to Mediation Regulations for legislative review. Inquiries regarding these regulations should be addressed to Gary M. Cannon, Executive Director, at (803) 737-5744.

Thank you for your attention regarding this matter.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "T. Beck".

T. Scott Beck
Chairman

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Workers' Compensation Commission

May 29, 2012

The Honorable Glenn McConnell
President, South Carolina Senate
State House, 1st Floor
P.O. Box 142
Columbia, South Carolina 29202

Dear Lieutenant Governor McConnell:

The South Carolina Workers' Compensation Commission is respectfully submitting Document No. 4286 relating to Mediation Regulations for legislative review. Inquiries regarding these regulations should be addressed to Gary M. Cannon, Executive Director, at (803) 737-5744.

Thank you for your attention regarding this matter.

Respectfully Submitted,

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T. Scott Beck
Chairman

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Workers' Compensation Commission

May 29, 2012

The Honorable Robert William Harrell, Jr.
Speaker of the House of Representatives
506 Blatt Building
Columbia, South Carolina 29202

Dear Mr. Speaker:

The South Carolina Workers' Compensation Commission is respectfully submitting Document No. 4286 relating to Mediation Regulations for legislative review. Inquiries regarding these regulations should be addressed to Gary M. Cannon, Executive Director, at (803) 737-5744.

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T. Scott Beck
Chairman

WORKERS' COMPENSATION COMMISSION

CHAPTER 67

Statutory Authority: 1976 Code Sections 42-3-30, 42-9-10 and 42-9-30(21)

- 67-1801. Mediation.
- 67-1802. Mediation Required with Certain Claims.
- 67-1803. Mediation Requested by Parties.
- 67-1804. Selection of Mediator and Required Schedule.
- 67-1805. Parties Represented.
- 67-1806. Mediation Communications Confidential.
- 67-1807. Expense of Mediation.
- 67-1808. Penalties.
- 67-1809. Forms Required Upon Completion.

Synopsis:

The South Carolina Workers' Compensation Commission proposes to amend Chapter 67 of the Regulations of South Carolina Workers' Compensation Commission by adding Article 18 for the purposes of establishing a defined mechanism to resolve disputes pursuant to Title 42 of the SC Code of Laws without the necessity of a hearing. The Notice of Drafting regarding this regulation was published on February 24, 2012 in the *State Register*. The language of the proposed regulations, notice of comment period and notice of public hearing was published in the *State Register* on April 27, 2012. The Commission held a public hearing regarding the new proposed regulations on May 29, 2012. On May 29, 2012, the Commission held a special business meeting and voted to approve the new mediation regulation.

Instructions: Print the new article and new regulations in accordance with directions given below to reflect the new regulations.

Text:

ARTICLE 18

MEDIATION

67-1801. Mediation.

A. This mediation regulation is established to resolve disputes without the necessity of a hearing. The purpose is to afford a meaningful opportunity to the parties to achieve an efficient and a just resolution of their disputes in a timely and a cost-effective manner.

B. A Commissioner has the discretion to order mediation in any pending claim before the Commissioner and to select a duly qualified mediator.

(1) A Commissioner must retain jurisdiction of the claim solely for those issues being mediated.

(2) A Commissioner does not retain jurisdiction of the claim for the life of the claim, unless the Commissioner so chooses, only until those pending issues are resolved.

(3) A Commissioner's authority to order mediation in any pending claim is not limited by claims listed in Section 67-1802.

67-1802. Mediation Required with Certain Claims.

A. Claims arising under Section 42-9-10, or claiming permanent and total disability pursuant to Section 42-9-30 (21), occupational disease cases, third-party lien reduction claims, contested death claims, mental/mental injury claims, and cases of concurrent jurisdiction under the South Carolina Workers' Compensation Act and the Federal Longshore and Harbor Workers' Compensation Act must be mediated prior to a hearing.

(1) In contested death claims, a Commissioner must still make a finding that a good faith dependency investigation has been completed.

(2) Except for contested death claims, all claims listed in this section would apply only to claims where compensability of the accident is admitted by the employer/carrier.

(3) Claims involving multiple employees arising out of employment with the same Employer, whether or not compensability has been admitted, shall be subject to a scheduling order and shall be mediated prior to a hearing. Participation in mediation in no way constitutes an admission of compensability at any subsequent proceeding.

(4) Unless an unrepresented claimant requests that the claimant's case be mediated, the Commission shall enter an order dispensing with mediation.

67-1803. Mediation Requested by Parties.

The parties may request mediation by the proper submission of a Form 21, Form 50, Form 51, or the response to the Form 21, indicating a request for mediation. Except as provided in section 67-1802 A, either party may object to mediation by the proper submission of the Form 21, Form 50, or the response to the Form 21. If the parties do not agree to mediation, pursuant to this section, then the case shall be set by the Judicial Department in the normal course of the docket scheduling.

67-1804. Selection of Mediator and Required Schedule.

A. The parties may consent to use any mediator who is duly qualified. The mediator must be certified as a mediator per the certification process established by the South Carolina Bar Association.

B. The parties must select a mediator within ten days of the filing of the Form 51 or the response to the Form 21, and must promptly notify the Commission of the mediator and proposed mediation date.

C. The mediation must be completed within sixty days of the filing of the Form 51 or the response to the Form 21, unless otherwise agreed to by the parties. If the mediation is not completed within the sixty day timeframe then the case shall be set by the Judicial Department in the normal course of the docket scheduling.

D. If the parties cannot agree on a mediator, the Commission shall appoint a duly qualified mediator for them.

67-1805. Parties Represented.

In addition to their attorney being present, each party shall provide a representative, who shall attend the mediation in person or via telephone. The representative shall have authority to enter into negotiations, in

good faith, to resolve the issues in dispute. If the representative attends via telephone, they shall be available by telephone for the duration of the mediation. Reasonable notice shall be provided to the opposing party concerning attendance via telephone, prior to the mediation. This regulation does not prevent a claimant from proceeding pro se.

67-1806. Mediation Communications Confidential.

A. All communications and statements that take place within the context of mediation shall be confidential and not subject to disclosure. Such communications or statements shall not be disclosed by any mediator, party, attorney, or attendee and may not be used as evidence in any proceeding. An executed agreement resulting from mediation is not subject to the confidentiality requirements described above.

B. Neither the mediator nor any third-party observer may be subpoenaed or otherwise required to testify concerning a mediation or settlement negotiation in any proceeding. The mediator's notes shall not be placed in the Commission's file, shall not be subject to discovery, and shall not be used as evidence in any proceeding.

67-1807. Expense of Mediation.

The parties shall share the cost of mediation equally, unless otherwise agreed by the parties, or as otherwise ordered by the Commission.

67-1808. Penalties.

Any party who refuses or neglects to act in good faith during the mediation may be subject to a fine not to exceed the actual cost of the mediation. Any party who believes this provision has been violated may file a Motion for a Rule to Show Cause before the jurisdictional Commissioner for purposes of assessing fines and penalties. The parties shall have the right of review and appeal as in other cases.

67-1809. Forms Required Upon Completion.

A Form 70 shall be filed by the Mediator with the Judicial Department at the conclusion of the mediation. A Form 70 shall not become a part of the Commission's file and will solely be used for tracking purposes.

Fiscal Impact Statement:

The fiscal impact of the proposed changes to this regulation is \$0.

Statement of Rationale:

The Commission is proposing a new regulation to establish a defined mechanism to resolve disputes without the necessity of a hearing. The goal is not to mandate mediation of all cases, but to afford a meaningful opportunity to the parties to achieve an efficient and just resolution of their disputes in a timely and a cost-effective manner.