

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201
March 10, 2025 10:30 a.m.

Meeting to be held in Hearing Room A

The Commission's Business Meeting will be broadcast live on the Internet via Zoom. Interested parties may access the broadcast at the following link:

Join Zoom Meeting

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Meeting ID: 824 929 7108

Passcode: 073988

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

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|---|---|
| 1. CALL TO ORDER | CHAIRMAN BECK |
| 2. APPROVAL OF AGENDA OF BUSINESS MEETING OF MARCH 10, 2025 | CHAIRMAN BECK |
| 3. APPROVAL OF MINUTES OF THE REGULAR BUSINESS MEETING FEBRUARY 10, 2025 (Tab 1) | CHAIRMAN BECK |
| 4. RECOGNITION - EMPLOYEES' BIRTHDAYS, SERVICE AWARDS | CHAIRMAN BECK |
| 5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2)
A. Self-Insurance Department Report | MS. BROWN |
| 6. DEPARTMENT DIRECTORS' REPORTS
Administrative Services (Tab 3)
Financial Report (Tab 4)
Information Services (Tab 5)
Insurance and Medical Services (Tab 6)
Claims (Tab 7)
Judicial (Tab 8) | MS.MCREE
MS.MCREE
MR. PLUSS
MR. DUCOTE
MS. SPANN
MS. BRACY |
| 7. DEPARTMENT OF VOCATIONAL REHABILITATION
Monthly Report (Tab 9) | MR. CANNON |
| 8. EXECUTIVE DIRECTOR'S REPORT (Tab 10) | MR. CANNON |
| 9. OLD BUSINESS
Approval of 2025 Medical Services Provider Manual | CHAIRMAN BECK |
| 10. NEW BUSINESS
Regulation 67.1507 | CHAIRMAN BECK |
| 11. EXECUTIVE SESSION | CHAIRMAN BECK |
| 12. ADJOURNMENT | CHAIRMAN BECK |

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TAB 1

THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING MINUTES
February 10, 2025

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, February 10, 2025, 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
GENE MCCASKILL, VICE CHAIR
CYNTHIA DOOLEY, COMMISSIONER
R. MICHEAL CAMPBELL, II, COMMISSIONER
MELODY JAMES, COMMISSIONER
AISHA TAYLKOR, COMMISSIONER

Present also were Christy Brown, Self-Insurance Director; Amy Bracy, Judicial Director; Kristen Mcree, Administrative Services Director; Kris Pluss, IT Director; Francina Johnson, IT Consultant; Chris Crump, IT Consultant; Liz Schinke; IT Consultant; Jordan Mayes, Staff Attorney; Eric Baxley, Staff Attorney; Jeanette Gray, HR Assistant; Bridget Amick, Medical Policy Analyst and Tony Denny; SC Orthopedic Association. Tiffany Grzybowski, Health Systems; Paulie Williams, Chris O'Donnell; both from FairHealth; Jared Elrod; Kim Olson; Latoya Abney, Consumer Services; Prince Ejindu; Inman Hart; Liz Holt, Creel Court Reporting and a representative from IWA participated by zoom.

Chairman Beck called the meeting to order at 10:42 a.m.

AGENDA

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

APPROVAL OF MINUTES – BUSINESS MEETING OF JANUARY 13, 2025

Commissioner McCaskill moved that the minutes of the Business Meeting of January 13, 2025 be approved. Commissioner Dooley seconded the motion, and the motion was approved.

PUBLIC HEARING

Mr. Cannon called the Public Hearing to order at 10:43. Chris O'Donnell and Pauline Williams from FairHealth presented the proposed changes to the 2025 Medical Services Provider Manual. There were no speakers or questions by the Commission.

GENERAL ANNOUNCEMENTS

No general announcements.

Recognition of Agency employees Birthdays for the month of February 2025.

SELF-INSURANCE

Ms. Brown presented her report in written form. There were no questions from the Commission.

Self-insurance applications were presented by Christy Brown, Self-Insurance Director. **Four (4)** prospective members of **One (1)** fund was presented to the Commission for approval. The applications were:

South Carolina Home Builders SIF

All Phase Electrical Company LLC

Clarence & Clarence LLC

Flagship Homes LLC

Revive Properties LLC

After examination of the applications, it was determined that each complied with the Commission's requirements, and each was recommended for approval.

Commissioner James made the motion to approve the applications to self-insure. Commissioner Campbell seconded the motion to approve the applications to self-insure, and the motion was approved.

DEPARTMENT DIRECTORS' REPORTS

Each Department report was submitted in written form and included in the Commission's agenda booklets.

ADMINISTRATIVE SERVICES

Ms. Mcree presented the Human Resources and the Financial Report in written form. There were no comments or questions from the Commission.

INFORMATION SERVICES

Mr. Pluss presented the IT report in written form. There were no comments or questions from the Commission.

INSURANCE AND MEDICAL SERVICES

Mr. Ducote presented his report in written form. There were no comments or questions from the Commission.

CLAIMS

Ms. Spann presented her report in written form. There were no comments or questions from the Commission.

JUDICIAL

Ms. Bracy presented her report in written form. There were no questions from the Commission.

VOCABATIONAL REHABILITATION

Mr. Cannon presented the Vocational Rehabilitation report. There were no questions from the Commission.

EXECUTIVE DIRECTOR'S REPORT

Mr. Cannon submitted his report in written form. There were no comments or questions from the Commission.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT

Commissioner Campbell made the motion to adjourn. Commissioner Dooley seconded the motion, and the motion was approved.

The February 10, 2025 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:15 a.m.

Reported February 20, 2025.
Arnisha Keitt
Executive Assistant

TAB 2

TAB 3

State of South Carolina



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Workers' Compensation Commission

To: Gary Cannon, SCWCC Executive Director
From: Kristen McRee, Director of Administrative Services
Date: March 10, 2025
Subject: Administrative Department February 2025 Full Commission Report

This report summarizes the Human Resources, Procurement, Finance, and Budget, initiatives during February 2025.

I. Human Resources

Hiring Recruitment & Retention

The recruitment for an insurance analyst to support the Insurance and Medical Services Department continued through the month of January. Interviews were conducted throughout the month. However, after review of the department needs and the position's job duties, recruitment was discontinued. The duties were combined with those of a coverage investigator. An existing employee in the department will assume those duties moving forward.

An administrative Specialist II (Receptionist) position was posted on January 28, 2025. The posting was active until early February. Interviews were conducted and a qualified candidate was selected. The new staff member is expected to begin in early March.

It was previously reported that Human resources received a staff resignation from the Self-Insurance department in January. Staffing and recruitment needs were assessed in February, and it was determined that recruitment could be discontinued. The job duties of the self-insurance assistant were combined with the job duties of one of the Commission's coverage investigators. Moving forward, the staff member assigned the additional duties will report to both the Director of Self-Insurance and the Coverage and Compliance Director.

Reporting

The employee morale survey, published to staff by the Office of Inspector General, closed to responses on February 14, 2025. Agency leadership has received a copy of the anonymous report and is currently reviewing the responses. We thank everyone who completed the survey for taking the time to fill out the responses. We value our employee's feedback.

Benefits

State ORP open enrollment began on January 1, 2025 for those that participate in the retirement plan. Eligible ORP subscribers may change service providers or irrevocably elect to participate in SCRS throughout the month of February. The State ORP enrollment period will expire on March 1, 2025. Any changes made will take effect on April 1, 2025.

In addition to the Human Resources activities referenced above, the office participated in a SC PEBA Employer Advocacy Group meeting, and a PEBA Leave Without Pay Procedures meeting. The office also participated in a Department of Administration Division of Human Resources HR Directors meeting.

II. Procurement

The Commission continues to coordinate with the South Carolina Department of Administration's Procurement Services to obtain office renovation services. The office continues to participate in other procurements such as the ordering of new furniture (lobby chairs, Commissioner's chairs, and related items).

Looking ahead to March, the office will begin evaluating the Commission's purchase order and invoice procedures to ensure compliance with State Procurement policies.

III. Finance & Budget

Administrative Services continues to participate in meetings with the Department of Administration to discuss the Commission's budget. Administrative Services participated in the February 4, 2025 House Ways and Means Transportation and Regulatory Subcommittee budget presentation and the Senate Finance Transportation and Regulatory Subcommittee budget presentation on February 26, 2025.

IV. Privacy

In December, Administrative Services partnered with the Legal Department to begin compiling the agency's privacy policies and procedures. In the coming months, both departments will work towards formalizing the Commission's privacy practices regarding document production, retention, and disposal.

TAB 4

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Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

FROM: Kristen McRee, Director Administrative Services

DATE: MARCH 10, 2025

RE: FINANCIAL REPORT – FY Period ending February 28, 2025

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the fiscal year period ending February 28, 2025. The benchmark for this period is 67%.

Expenditures – General Fund – Annual Budget \$6,292,087

The total expenditure for the General Fund year-to-date is \$1,922,419 or 31% of the annual budget as shown on Page 2. This is due to the additional \$3 million in general funds received this fiscal year. Currently, salaries are being paid from the earmarked fund. Those expenditures have not been transferred to the general fund; however, this will be accounted for in a year-end journal entry.

Page 3 and 4 reflects the balances of funds appropriated by the General Assembly for the IT System Modernization Project. The balance for the IT System Project on page three has decreased 4.5% to \$1,618,408 from its original balance of \$1,695,084 because of expenses related to the IT Legacy System upgrades. The balance of the non-recurring appropriation funds for the IT System Project remains stable at \$5,000,000.

Expenditures – Earmarked Fund – Annual Budget \$5,607,845

The Earmarked Fund (38440000) total expenditures year-to-date are \$3,090,956 which is 55% of budget as shown on Page 7.

Revenues – Earmarked Annual Budget \$2,787,979

The Commission posted \$2,387,963 in Earmarked Fund operating revenues year-to-date, which is 86% of the annual budget.

Self-Insurance Tax Funds

The Commission is no longer authorized to retain the self-insurance tax funds collected. All funds are remitted to the general fund. The amount collected in the period ending February 28, 2025 is \$228,739.

South Carolina Workers' Compensation Commission
Budget v. Actual Report
FY 2025 As of 2/28/2025
67% of year elapsed

Fund 10010000 - GENERAL FUND - Operating Items

Administration		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501015	DIRECTOR	\$ 153,737	\$ 111,347	72%		\$ 42,390	\$ 102,491	67%
501058	CLASSIFIED POS	\$ 55,125		0%		\$ 55,125		
512001	OTHER OPERATING	\$ 3,155,303						
	Total OTHER OPERATING:	\$ 3,155,303				\$ 3,155,303		
Total Administration:		\$ 3,364,165	\$ 111,347	3%		\$ 3,252,818	\$ 102,491	3%

Inform. services		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
503000	SUPPLY AND MATERIAL		\$ 126					
	Total OTHER OPERATING:		\$ 126		\$ 3,168	\$ (3,211)		
Total Inform. services:			\$ 126		\$ 3,168	\$ (3,211)		

Claims		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 108,332	\$ 64,683	60%		\$ 43,649	\$ 59,539	55%
Total Claims:		\$ 108,332	\$ 64,683	60%		\$ 43,649	\$ 59,539	55%

Commissioners		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501026	CHAIRMAN	\$ 186,296	\$ 134,928	72%		\$ 51,368	\$ 124,197	67%
501033	COMMISSIONER	\$ 1,085,209	\$ 716,630	66%		\$ 368,579	\$ 723,471	67%
501050	TAXABLE SUBS	\$ 89,866	\$ 47,049	52%		\$ 42,817	\$ 49,465	55%
501058	CLASSIFIED POS	\$ 428,071	\$ 269,111	63%		\$ 158,960	\$ 259,636	61%
Total Commissioners:		1,789,442	1,167,718	65%		621,724	1,156,769	65%

Insurance & Medical		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 43,922	\$ 16,557	38%		\$ 27,365	\$ 25,000	57%
Total Insurance & Medical:		\$ 43,922	\$ 16,557	38%		\$ 27,365	\$ 25,000	57%

Judicial		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 31,539		0%		\$ 31,539		
512001	OTHER OPERATING	\$ 10,000						
503000	SUPPLY AND MATERIAL		\$ 4,000					
	Total OTHER OPERATING:	\$ 10,000	\$ 4,000	40%	\$ -	\$ 6,000		
Total Judicial:		\$ 41,539	\$ 4,000	10%	\$ -	\$ 37,539		

Employer Contributions		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
513000	EMPLOYER CONTRIB	\$ 944,687	\$ 522,078	55%		\$ 422,609	\$ 507,640	54%

Total Employer Contributions:	\$ 944,687	\$ 522,078	55%		\$ 422,609	\$ 507,640	54%
Total GENERAL FUND - Operating Items	\$ 6,292,087	\$ 1,886,509	30%	\$ 26,555	\$ 4,379,023	\$ 1,851,440	29%

Fund 10010000 - GENERAL FUND - Special Items

IT System Project		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
561000	Special Item	\$ 1,631,520	\$ 13,113	1%		\$ 1,618,407		
Total IT System Project:		\$ 1,631,520	\$ 13,113	1%		\$ 1,618,407		
Total GENERAL FUND - Special Items:		\$ 1,631,520	\$ 13,113			\$ 1,618,407		

Fund 10050023 - GF-NONRECUR APROP-23 - Special Items

IT System Project		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
561000	Special Item	\$ 5,000,000		0%		\$ 5,000,000		
Total IT System Project:		\$ 5,000,000				\$ 5,000,000		
Total GF-NONRECUR APROP-23 - Special Items:		\$ 5,000,000				\$ 5,000,000		

Fund 38440000 - EARMARKED FUND

Administration		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 696,889	\$ 233,795	34%		\$ 463,094	\$ 162,012	23%
512001	OTHER OPERATING	\$ 2,205,907						
502000	CONTRACTUAL SVC		\$ 94,107		\$ 35,056		\$ 314,049	
503000	SUPPLY AND MATERIAL		\$ 39,437		\$ 43,271		\$ 65,449	
504000	FIXED CHGS AND CONT		\$ 328,995		\$ 225,240		\$ 307,467	
505000	TRAVEL		\$ 41,770		\$ 1,003		\$ 37,357	
	Total OTHER OPERATING:	\$ 2,205,907	\$ 504,309	23%	\$ 304,570	\$ 1,397,028	\$ 724,322	33%
Total Administration:		\$ 2,902,796	\$ 738,104	25%	\$ 304,570	\$ 1,860,122	\$ 886,334	31%

Inform. services		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS		\$ 277,449			\$ (277,449)	\$ 252,681	
502000	CONTRACTUAL SVC		\$ 211,045		\$ 101,565		\$ 66,724	
503000	SUPPLY AND MATERIAL		\$ 95,812		\$ 84,071		\$ 5,928	
504000	FIXED CHGS AND CONT		\$ 1,710				\$ 1,271	
505000	TRAVEL		\$ 2,920				\$ 556	
	Total OTHER OPERATING:		\$ 311,487		\$ 185,636	\$ (497,123)	\$ 74,479	
Total Inform. services:			\$ 588,936		\$ 185,636	\$ (774,572)	\$ 327,160	

Claims		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 262,204	\$ 185,946	71%		\$ 76,258	\$ 156,556	60%
512001	OTHER OPERATING	\$ 24,744						
	Total OTHER OPERATING:	\$ 24,744				\$ 22,492	\$ 1,263	5%
Total Claims:		\$ 286,948	\$ 185,946	65%		\$ 98,750	\$ 157,819	55%

Commissioners		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 50,000	\$ 38,776	78%		\$ 11,224		
512001	OTHER OPERATING	\$ 229,092						
502000	CONTRACTUAL SVC		\$ 83,124		\$ 295		\$ 87,718	
505000	TRAVEL		\$ 39,322				\$ 3,476	
	Total OTHER OPERATING:	\$ 229,092	\$ 122,446	53%		\$ 106,646	\$ 40,623	58%
Total Commissioners:		\$ 279,092	\$ 161,222	58%	\$ 295	\$ 117,575	\$ 91,194	47%

Insurance & Medical		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 553,278	\$ 337,223	61%		\$ 216,055	\$ 321,327	58%
501070	OTH PERS SVC						\$ 10,459	
512001	OTHER OPERATING	\$ 40,000						
502000	CONTRACTUAL SVC		\$ 630				\$ 9,680	
503000	SUPPLY AND MATERIAL		\$ 10,500				\$ 8,085	
505000	TRAVEL		\$ 7,018				\$ 9,139	
514000	BENEFITS AND CLAIMS		\$ 1,754		\$ 18,053		\$ 50,794	
	Total OTHER OPERATING:	\$ 40,000	\$ 19,902	50%	\$ 18,053	\$ 2,045	\$ 77,698	195%
Total Insurance & Medical:		\$ 593,278	\$ 357,125	60%	\$ 18,053	\$ 218,100	\$ 409,484	69%

Judicial		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
501058	CLASSIFIED POS	\$ 513,733	\$ 339,508	66%		\$ 174,225	\$ 347,557	68%
501070	OTH PERS SVC	\$ 62,681	\$ 26,990	43%		\$ 35,691	\$ 24,757	39%
512001	OTHER OPERATING	\$ 45,000						
502000	CONTRACTUAL SVC		\$ 19,819		\$ 2,773		\$ 1,913	
503000	SUPPLY AND MATERIAL		\$ 13,109				\$ 20,548	
505000	TRAVEL		\$ 892				\$ 1,982	
	Total OTHER OPERATING:	\$ 45,000	\$ 33,820	75%	\$ 2,773	\$ 8,407	\$ 24,443	56%
Total Judicial:		\$ 621,414	\$ 400,318	64%	\$ 2,773	\$ 218,323	\$ 396,757	64%

Employer Contributions		FY 2025					FY 2024	
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance	YTD Expenditures	% Used
513000	EMPLOYER CONTRIB	\$ 924,317	\$ 653,371	71%		\$ 270,946	\$ 568,875	62%
Total Employer Contributions:		\$ 924,317	\$ 653,371	71%		\$ 270,946	\$ 568,875	62%
Total EARMARKED FUND:		\$ 5,607,845	\$ 3,085,022	55%	\$ 511,327	\$ 2,011,496	\$ 2,879,566	51%

South Carolina Workers' Compensation Commission
Earmarked Fund Revenues
FY 2025 As of 2/28/2025
67% of year elapsed

		FY 2025			FY 2024	
Account	Acct No.	Budget	YTD Actual Revenue	% of Budget	YTD Actual Revenue	% of Budget
WORKERS COMPENSATION SELF INSURANCE	4080100000					
WORKERS' COMPENSATION HEARING FEE	4110090000	1,091,322	731,640	67%	739,831	68%
WORKERS COMP SELF INSURANCE APPLI	4160040000	7,350			175	2%
WORKERS COMPENSATION FILING VIOLAT	4223030000	1,637,210	1,027,009	63%	1,072,630	66%
OTHER PENALTIES, COST & SETTLEMENTS	4226020000		600,691			
PARKING FEE	4350040000	5,785	3,925	68%	3,850	67%
WORKERS COMPENSATION AWARD REVIE	4350140000	14,686	9,120	62%	9,150	62%
TRAINING CONFERENCE REGISTRATION F	4380020000	3,120	1,105	35%		0%
PHOTOCOPYING FEE	4380050000	23,761	9,588	40%	19,588	82%
SALE OF SERVICES	4480020000	3,120	910	29%		0%
SALE OF LISTINGS & LABELS	4480060000	1,625	4,625	285%	900	55%
RETURNED CHECKS	4530010000		(350)			
ADJUSTMENT TO AGENCY DEPOSITS	4530020000		(300)		(650)	
Total Revenues		2,787,979	2,387,963	86%	1,845,473	66%
Self Insurance Tax			228,739		2,699,662	
Total		2,787,979	2,616,702	94%	2,616,702	164%

TAB 5

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Workers' Compensation Commission

To: Gary Cannon, SCWCC Executive Director
From: Kris Pluss, IT Director
Date: March 5, 2025
Subject: IT Department February 2025 Full Commission Report

This report summarizes the activities and accomplishments in the IT Department during February 2025.

I. Systems Operations, Maintenance and Support:

Progress

TPA Email for Fine Notifications: WCC IT has deployed the ability to view, add, change, or delete TPA information connected to a claim in Progress and include the TPA email addresses in the existing email fine notification process.

Agency Support:

WCC IT facilitated three Zoom meetings with defense firms that have not been utilizing the eFile/ePay system and one individual ePay demonstration for an additional firm. Feedback provided by the defense firms identified several issues (internal accounting procedures, internal processes and procedures, awareness, etc.) that have impacted the migration to electronic submissions and payment. WCC IT has scheduled a meeting with Tyler Technologies (aka SC.Gov) on Tuesday, March 11, 2025 to discuss updating our submission forms to accommodate the defense firms requests.

OnBase

WCC IT and KeyMark professional Services continued testing OnBase (OB) 23 for an upcoming migration that is tentatively scheduled for February/March 2025.

Reporting

131 Service Desk tickets were received by WCC IT during December 2024.
103 Tickets were assigned a priority of Low.
18 Tickets were assigned a priority of Medium.
10 Ticket was assigned a priority of High.
0 Tickets were assigned a priority of Urgent.

eFile / ePay Submissions:

3,761 unique electronic submissions were processed in January 2025.

During this period a total of \$76,552 were collected via online filings.

- 1,098 eFile/ePay online transactions with a fee/fine for a net amount of \$76,082.50 was submitted in January 2025.
- Filing Fees: \$50,947
- Fines: \$25,135
- Other: \$470 (Appeals, Copy Requests)
- Total Unique Filings without an Online Payment: 2,663

Online vs. Physical Pleadings

Pleading Type	Percent Paid Online - ePay	Percent Paid Physically - Mail	Total Number of Pleadings
Claimant	68%	32%	570
Defense	43%	57%	288
Total			858

TAB 6

State of South Carolina



Workers' Compensation Commission

MEMORANDUM

Date: March 5, 2025

To: Gary Cannon
Executive Director

From: Wayne Ducote
Insurance & Medical Services Director

RE: Monthly Insurance & Medical Services Report for February 2025

Please find attached the statistical report for the Insurance and Medical Services Department for the month of February 2025.

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

Vacant Position Recruitment

The decision was made not to fill the vacant coverage analyst position and instead combine the coverage analyst duties with those of one of the compliance officers. The combined duties are being handled by Cara Mazzell and took effect on February 17.

Coverage Division

The TPA fine notification process has been completed and emails are now being sent to those TPA's who are linked to claims via eCase, which have 12A fines associated with them.

The Coverage Division had 42 new registrants for notification of lapse in coverage within our coverage notification system. No lapse in coverage notifications were sent.

The Coverage Division processed 1,591 Form 12A submitted electronically through the Verisk system and processed 246 manually filed Form 50s into the Verisk system. The process continues to be reviewed and updated on a weekly basis with the assistance of the SCWCC IT and Verisk teams.

Compliance Division

The Compliance Division created 230 DEW compliance investigation files in February. Of those 230 files, 26 files were closed immediately due to coverage being located. The remaining 204 files were opened for further investigation and notifications were sent to employers.

In February the Compliance Division collected over \$74,000 in non-compliance penalties and compelled 47 employers to come into compliance with the Act, which resulted in 213 more employees now covered by workers' compensation insurance than were previously covered. And, although Total Fines Collected compared to the same period last year is down 15%, the number of employers compelled to obtain coverage is up 7%.

The Medical Services Division resolved nine formal medical bill disputes. The Medical Services Division continues to work with Fair Health to discuss the 2025 Medical Services Provider Manual updates.

While this summary is in no way all-inclusive, it may serve to assist you and our Commissioners in understanding the key measures by which the Department's effectiveness can be gauged. The Insurance and Medical Services Department welcomes any guidance that you or the Commissioners can provide concerning our performance and direction.

Department of Insurance & Medical Services
South Carolina Workers' Compensation Commission
February 2025 Monthly Report

	September	October	November	December	January	February	YTD Total FY24-25	YTD Total FY23 24	% Chg FY25
COMPLIANCE									
Total Cases Active at Beginning of Period	222	241	307	259	272	270	2094	1877	12%
Total Cases Initiated	151	257	155	218	262	267	1643	1219	35%
Total Cases Closed	132	191	203	205	264	273	1654	1099	51%
Total Cases Active at End of Period	241	307	259	272	270	264	2083	1997	4%
Cases from F50/12A/other	11	19	6	33	21	27	160	126	27%
Cases from DEW	130	225	144	181	211	230	1379	1043	32%
Cases from Carriers	10	15	0	20	14	16	109	55	98%
Total Fines Assessed	\$ 31,250	\$ 57,500	\$ 106,778	\$ 70,000	\$ 47,500	\$ 74,750	\$ 539,229	\$ 4,860,833	-89%
- DEW / Coverage / Miscellaneous	\$ 30,500	\$ 55,750	\$ 76,250	\$ 58,500	\$ 38,500	\$ 65,500	\$ 470,676	\$ 4,545,773	-90%
- Underlying claim / uninsured employer	\$ 750	\$ 1,750	\$ 30,528	\$ 11,500	\$ 9,000	\$ 9,250	\$ 68,553	\$ 315,060	-78%
Total Fines Collected	\$ 45,700	\$ 45,020	\$ 90,340	\$ 61,475	\$ 45,080	\$ 74,725	\$ 499,665	\$ 584,830	-15%
- DEW / Coverage / Miscellaneous	\$ 41,600	\$ 44,920	\$ 72,012	\$ 56,275	\$ 32,480	\$ 58,125	\$ 435,237	\$ 565,911	-23%
- Underlying claim / uninsured employer	\$ 4,100	\$ 100	\$ 18,328	\$ 5,200	\$ 12,600	\$ 16,600	\$ 64,428	\$ 18,919	241%
Fines Waived/Rescinded/Uncollectable	\$ -	\$ -	\$ 3,000	\$ -	\$ 5,250	\$ 49,620	\$ 91,271	\$ 4,109,926	-98%
- Waived	\$0	\$0	\$0	\$0	\$0	\$0	\$ 28,900	\$ 3,301,657	-99%
- Rescinded	\$0	\$0	\$3,000	\$0	\$5,250	\$26,810	\$ 39,561	\$ 514,888	-92%
- Uncollectable	\$0	\$0	\$0	\$0	\$0	\$22,810	\$ 22,810	\$ 293,381	-92%
Employer RTSC Cases Docketed	0	1	0	0	0	2	4	10	-60%
Employers Compelled Into Compliance	26	36	53	52	33	47	328	307	7%
Previous Uninsured Employees Now Covered	181	217	299	266	136	213	1895	2118	-11%
Carrier RTSC Cases Docketed	11	10	15	0	20	15	110	72	53%
Carrier RTSC Cases Resolved	11	10	15	0	20	15	110	72	53%
Carrier RTSC Fines Resolved	\$ 17,604	\$ 9,700	\$ 11,000	\$ -	\$ 6,000	\$ 10,000	\$69,704	\$92,139	-24%

COVERAGE & ACCIDENT RPTG									
Employers Withdrawing From the Act	4	3	5	12	6	10	44	27	63%
Coverage Fines Assessed	\$ 31,300	\$ 29,100	\$ 41,400	\$ 29,250	\$ 24,550	\$ 27,800	\$ 244,300	\$ 172,875	41%
Coverage Fines Collected	\$ 25,150	\$ 27,300	\$ 23,900	\$ 23,600	\$ 30,300	\$ 20,000	\$ 186,750	\$ 182,750	2%
Coverage Fines Waived	\$ 4,000	\$ 6,800	\$ 6,000	\$ 9,200	\$ 9,600	\$ 6,600	\$ 51,800	\$ 25,250	105%
Number of 12As Filed EDI	1,567	1,989	1,667	1,545	1,696	1,591	13,716	13,774	0%
Number of 12As Filed Manually	211	316	193	219	233	246	1,949	2322	-16%
Total Number of WCC Files Created	1,778	2,305	1,860	1,764	1,929	1,837	15,665	16,096	-3%
Number of Fatalities Filed on 12As	4	9	2	8	8	2	56	53	6%

MEDICAL SERVICES									
Bills Pending at Beginning of Period	6	5	6	5	7	6	47	73	-36%
Bills Received	6	9	8	9	9	8	67	85	-21%
Bills to be Reviewed	12	14	14	14	16	14	114	158	-28%
Bills Reviewed this Month	7	8	9	7	10	9	68	94	-28%
Bills Pending at End of Period	5	6	5	7	6	5	46	64	-28%

TAB 7

State of South Carolina

1333 Main Street, 5th Floor
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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: March 10, 2025

Re: Claims Department January 2025 Full Commission Report

Attached is the Statistical Report for the Claims Department for the period July 1, 2024 - February 28, 2025, prepared for the Business Meeting on March 10, 2025.

Claims activities are in Column (a) with the totals for the period ending February 2025 in column (o). Column (q) reflects the percentage change when comparing the totals for same period in the current fiscal at the totals for the same period in last fiscal year. The total Claims Activities, for this period have decrease 4% when compared to the same period from last fiscal year.

When compared to the same period last fiscal year, the number of cases Reviewed (24,447) is 4% less, the number cases closed (17,109) is 1% less than last fiscal year; Fines Assessed (1,843) is 23% less; and the Total Fines Paid (\$265,100) is 16% less. It should be noted 51 fines were assessed by staff manually from their file reviews. 201 Form 18 fines were assessed automatically by the IT system. The total Form 18 fines assessed, and the 51 fines assessed by cases reviewed equal the 252 Total Fines Assessed.

I will be happy to answer any questions you or the Commissioners have.

Claims Department Statistical Report											
FY2024-2025											
For the FY period ending Feb. 28, 2025											
Claims Activities	July	August	Sept	Oct	Nov	Dec	Jan	Feb	FY24-25 YTD Total	FY23-24 YTD Total	% Diff from prev year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(o)	(p)	(q)
Forms 15-I	1,101	1,172	961	1,229	1,074	977	1,085	1,138	8,737	8,536	2%
Forms 15-II/Forms 17	735	804	648	783	717	679	756	806	5,928	5,674	4%
Forms 16 for PP/Disf	45	62	58	61	55	49	60	50	440	401	10%
Forms 18	5,279	4,863	4,574	5,324	4,451	4,847	5,044	4,832	39,214	40,602	-3%
Forms 20	471	506	490	602	435	416	548	539	4,007	4,345	-8%
Form 50 Claims Only									-		
Form 61	640	774	710	715	677	670	869	695	5,750	5,768	0%
Letters of Rep											
Clinchers	628	743	596	696	622	621	798	607	5,311	5,293	0%
Third Party Settlements	7	38	12	20	31	13	31	18	170	171	-1%
SSA Requests for Info	33	20	43	46	31	39	25	43	280	165	70%
Cases Closed	2,147	2,139	2,017	2,370	1,960	2,014	2,363	2,099	17,109	17,314	-1%
Cases Reviewed	3,175	3,000	2,726	3,570	2,824	2,971	3,286	2,895	24,447	25,849	-5%
Total	14,261	14,121	12,835	15,416	12,877	13,296	14,865	13,722	111,393	115,521	-4%
									-		
Total Fines Assessed	\$ 190	\$ 256	\$ 252	\$ 232	\$ 233	\$ 244	\$ 184	\$ 252	\$ 1,843	\$ 2,390	-23%
Form 18 Fines	\$ 149	\$ 239	\$ 211	\$ 210	\$ 208	\$ 220	\$ 165	\$ 201	\$ 1,603	\$ 2,056	-22%
Total Amt Paid	\$ 28,000	\$ 33,600	\$ 46,100	\$ 36,000	\$ 30,400	\$ 26,600	\$ 28,000	\$ 36,400	\$ 265,100	\$ 315,500	-16%

TAB 8

State of South Carolina

1333 Main Street
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Workers' Compensation Commission

March 4, 2025

To: Gary Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

RE: Monthly Judicial Report for February 2025

During the month of February, the Judicial Department processed two hundred seventy-four (274) claim only 50s, and eight hundred fifty-seven (857) requests for hearings (claimant and defense pleadings). Comparing the numbers from the same period last year, claimant pleadings are down 2% and defense pleadings are at similar levels. The department received one hundred three (103) Motions, an 11% increase compared to the same period last year and one hundred thirty-four (134) clincher conference requests, a 4% increase compared to the same time last year.

There were sixty-four (64) Single Commissioner Hearings conducted during the past month, twelve (12) pre-hearing conferences held, and six (6) Full Commission hearings held. A total of five hundred twenty-two (522) Orders (Single Commissioner Orders, Consent Orders and Administrative Orders) were served at the single Commissioner level, forty-five (45) of those were Decision and Orders that resulted from hearings that went on the record and ninety-one (91) were Motion Orders that were a result of Motions ruled upon by Commissioners.

There were three hundred eighty-five (385) Informal Conferences requested during February and one hundred thirty-two (132) were conducted.

There were twenty-four (24) regulatory mediations scheduled and ninety-six (96) requested mediations. Totals are similar for regulatory mediations and up 22% for requested mediations for the same period last year. The Judicial Department was notified of thirty-nine (39) matters resolved in mediation, with the receipt of Forms 70. This category's total is up 14% compared to this period last year. This does not include mediations that take place outside of what is reported to the Commission.

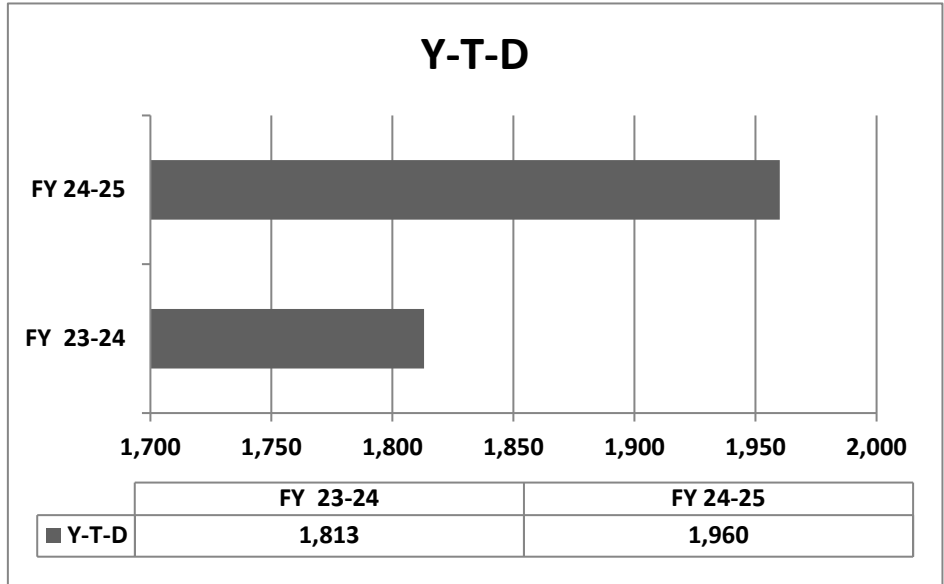
In the month of February, Judicial received two (2) Notice of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

**Judicial Department Statistical Report
Statistics For Fiscal Year 2024-2025**

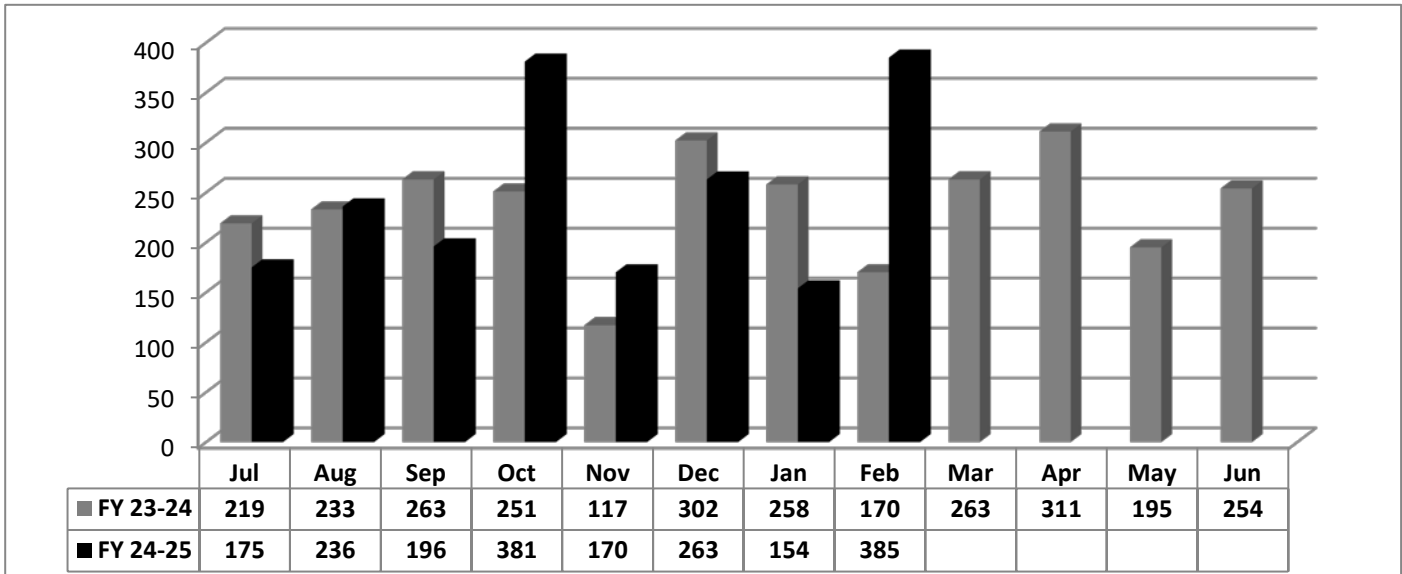
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Totals YTD 2024-2025	Totals YTD 2023-2024	% Diff from prev year
Claimant Pleadings	672	553	506	754	525	460	570	572	4,612	4,720	-2%
Defense Response to Pleadings	574	507	282	685	422	507	486	407	3,870	3,937	-2%
Defense Pleadings	300	276	252	285	232	220	288	285	2,138	2,132	0%
Form 50 - Claim Only	354	230	258	405	224	240	403	274	2,388	2,173	10%
Letters of Representation	25	11	12	70	69	104	77	69	437	438	0%
Motions	148	139	104	125	107	93	120	103	939	844	11%
Form 30	6	15	10	13	4	4	5	15	72	77	-6%
FC Hearings Held	7	6	3	8	2	2	3	6	37	43	-14%
FC Orders Served	14	6	29	12	28	8	18	7	122	33	270%
Single Comm. Hearings Held	59	46	64	55	39	55	51	64	433	426	2%
Single Comm. Orders Served	211	172	169	152	174	237	202	154	1,471	1,368	8%
Single Comm. Pre-Hearing Conf Held	18	10	5	15	6	8	8	12	82	108	-24%
Consent Orders	308	279	297	306	261	265	280	344	2,340	2,341	0%
Administrative Orders	17	7	21	16	11	13	14	24	123	68	81%
Clincher Conference Requested	152	150	128	165	129	163	152	134	1,173	1,125	4%
Informal Conference Requested	175	236	196	381	170	263	154	385	1,960	1,813	8%
Informal Conference Conducted	149	208	96	273	199	94	221	132	1,372	1,479	-7%
Regulatory Mediations	49	34	16	44	22	31	29	24	249	249	0%
Requested Mediations	85	69	52	114	61	57	98	96	632	519	22%
Ordered Mediations	0	0	0	0	0	0	0	3	3	4	-25%
Mediation Resolved	61	83	33	79	21	81	78	39	475	415	14%
Mediation Impasse	16	17	16	27	2	28	14	18	138	119	16%
Mediation Held; Issues Pending	0	1	2	0	3	0	0	1	7	10	-30%
Claim Settled Prior to Mediation	17	22	11	21	8	19	16	16	130	109	19%
Mediation Not Complete in 60 days	1	3	3	3	0	6	4	13	33	17	94%

Informal Conf. Requested

	FY 23-24	FY 24-25
Jul	219	175
Aug	233	236
Sep	263	196
Oct	251	381
Nov	117	170
Dec	302	263
Jan	258	154
Feb	170	385
Mar	263	
Apr	311	
May	195	
Jun	254	
Total	2836	1960

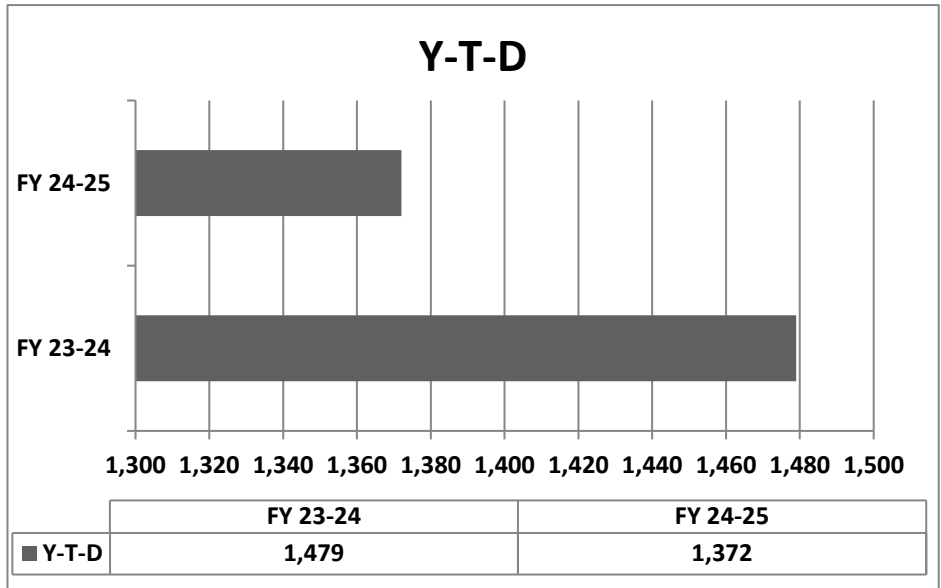


	FY 23-24	FY 24-25
Y-T-D	1,813	1,960

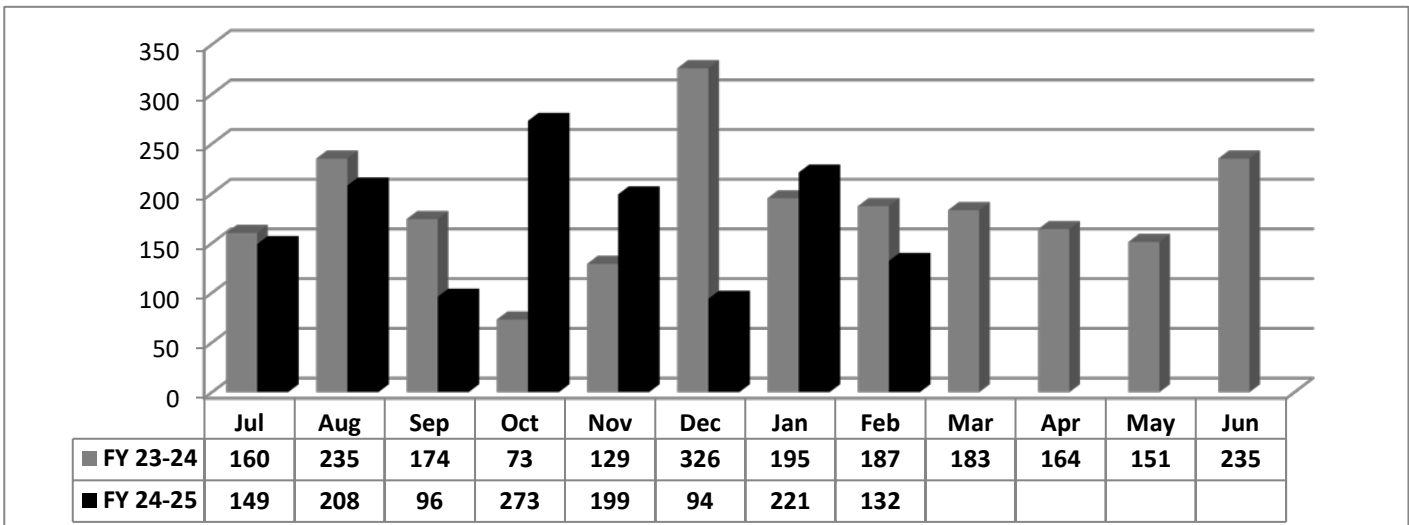


Informal Conf. Conducted

	FY 23-24	FY 24-25
Jul	160	149
Aug	235	208
Sep	174	96
Oct	73	273
Nov	129	199
Dec	326	94
Jan	195	221
Feb	187	132
Mar	183	
Apr	164	
May	151	
Jun	235	
Total	2,212	1,372



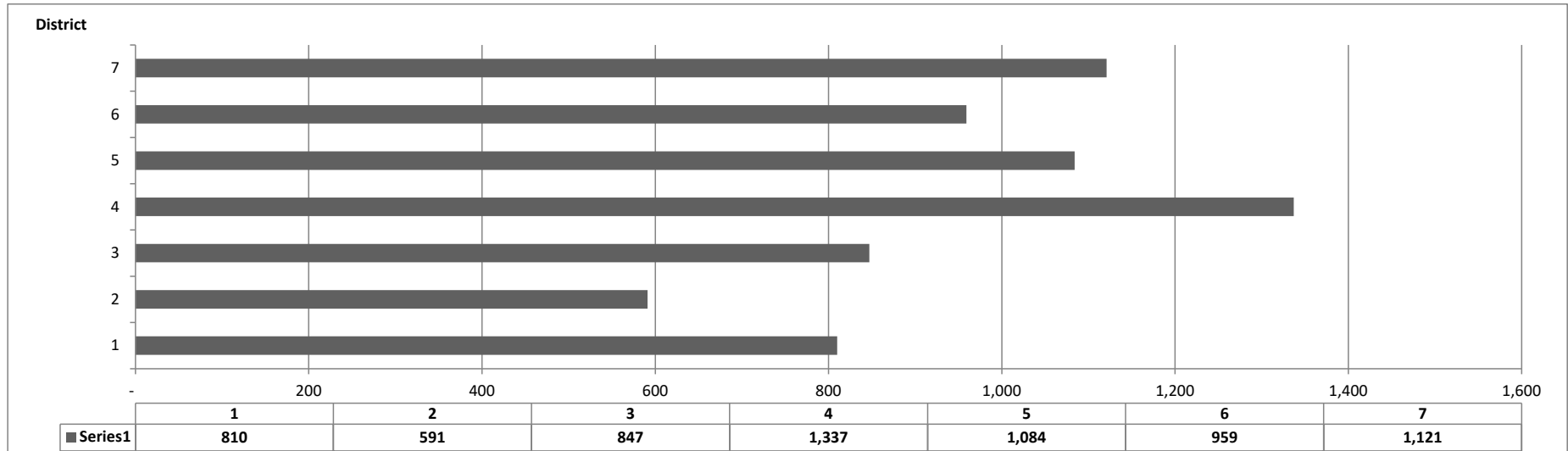
	FY 23-24	FY 24-25
Y-T-D	1,479	1,372



Pleadings Assigned - Three Year Comparison by Month

	District 1 Greenville			District 2 Anderson			District 3 Orangeburg			District 4 Charleston			District 5 Florence			District 6 Spartanburg			District 7 Richland		
	24-25	23-24	22-23	24-25	23-24	22-23	24-25	23-24	22-23	24-25	23-24	22-23	24-25	23-24	22-23	24-25	23-24	22-23	24-25	23-24	22-23
Jul	130	93	105	101	64	81	125	80	112	172	150	150	152	106	111	123	100	135	146	131	142
Aug	93	112	105	74	85	70	135	115	86	186	189	172	111	145	118	135	118	124	179	150	155
Sep	78	110	93	49	83	68	70	113	98	126	234	144	96	160	121	89	111	104	97	148	135
Oct	123	96	78	111	68	59	125	107	97	244	181	140	183	149	114	149	114	96	168	142	126
Nov	73	106	90	48	79	77	85	111	106	164	190	180	122	139	135	112	113	137	120	173	164
Dec	117	105	91	68	80	74	118	99	108	157	142	166	145	99	136	128	93	113	136	107	117
Jan	108	102	74	76	73	74	106	79	90	152	174	172	142	117	126	111	114	97	143	147	130
Feb	88	114	78	64	69	69	83	94	90	136	170	144	133	128	102	112	117	88	132	132	122
Mar		104	96		82	69		119	124		172	174		152	133		117	139		166	158
Apr		112	82		58	82		102	78		173	158		114	138		116	113		140	146
May		133	70		94	64		115	92		206	156		153	126		123	114		142	148
Jun		101	118		65	76		88	118		147	235		157	131		95	119		133	185
Totals	810	1,288	1,080	591	900	863	847	1,222	1,199	1,337	2,128	1,991	1,084	1,619	1,491	959	1,331	1,379	1,121	1,711	1,728

Pleadings Assigned by District Year to Date



TAB 9

SCVRD

Monthly Referral Report Summary FY24-25

Referral								
Outcome Type	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Application Completed	5	1	1	1	3	5	9	12
Assessment Completed								1
Declined to Apply for Services	12	87	138	231	333	439	588	797
Existing Case	4	1	1	1	1	1	1	2
No Outcome - Active Referral	209	287	397	470	517	573	515	276
Unable to Contact Referral	4	30	69	109	168	213	339	364
Total	234	406	606	812	1,022	1231	1452	1452

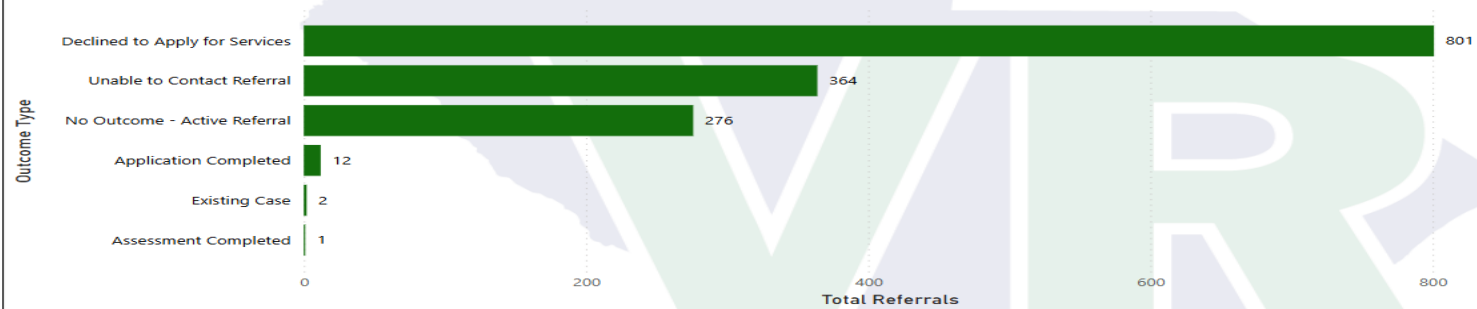


Referral Date
7/1/2024 2/27/2025

Area Office
All

Referring Organization
SC Workers Compensation

Total Referrals by Outcome Type



64.29%

Referrals with VR Cases Reaching Eligibility

35.71%

Referrals with VR Cases Reaching IPE

0.00%

Rehab Rate for Referral VR Cases with an IPE Developed

Referral Summary

Outcome Type	Total Referrals
Application Completed	12
Assessment Completed	1
Declined to Apply for Services	797
Existing Case	2
No Outcome - Active Referral	276
Unable to Contact Referral	364
Total	1452

Current CMS Status of Referrals Who Applied or Had Existing SCVRD Case

Current CMS Status	Description	Total Referrals	% of Referrals with VR Cases
2	Applicant	2	14.29%
8	Closed before Eligibility	3	21.43%
10	Eligibility	4	28.57%
12	IPE	4	28.57%
28	Closed after IPE	1	7.14%
Total		14	100.00%

TAB 10

State of South Carolina



Workers' Compensation Commission

Executive Director's Report

March 10, 2025

Meetings and Other Activities

The Executive Director participated in the following meetings and events during the month of February: Presented agency's FY2026 Budget Request to the House Ways and Means Transportation and Regulatory Subcommittee and the Senate Finance Transportation and Regulatory Subcommittee budget presentation on February 4, 2025 February 26, 2025 respectively; one Department Head meeting; six meetings with staff to discuss FOIA request, EPMS, software for the Legal Department, epay filings, Medical Services Provider Manual and security guard policies. Attended the SCWCEA Medical Conference on the Isle of Palms; participated in one interview of applicant for employment and the Inn of Courts presentation.

Constituent /Public Information Services

For the month of February, the Executive Director's and the General Counsel's offices had one hundred sixty-five (165) contacts with stakeholders.

Financial Transactions Activity

During the month of February, the Director's office processed and approved one (2) purchase orders, eight (8) travel expense reports, seventy-five (75) invoices, forty-two (42) deposits for DOA to process in the SCEIS system.

SCWCC Stakeholder Electronic Distribution List

For the month of February, the office had five (5) additions and two (2) deletions to the distribution list.

Advisory Notices

During the month of February, the office one (1) notice on the Commission's website and emailed it to the distribution list.

TAB 11

State of South Carolina

1333 Main Street, 5th Floor
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TEL: (803) 737-5700
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Workers' Compensation Commission

MEMORANDUM

To: COMMISSIONERS

From: GARY M CANNON

Date: MARCH 10, 2025

Re: 2025 MEDICAL SERVICES PROVIDER MANUAL (MSPM)

Attached please find the information previously provided for your consideration to update the Medical Services Provider Manual for 2025.

The effective date of the MSPM is April 1, 2025.

The Commissioners need to decide on the Conversion Factor from the several options provided in the FairHealth report. The 2024 Conversion Factor was \$51.50.

Once the Conversion Factor is decided, I recommend a motion to approve the 2025 Medical Services Provider Manual, with the policy changes recommended by FairHealth and a Conversion Factor of .

State of South Carolina



Workers' Compensation Commission

MEMORANDUM

Date: February 6, 2025

To: Commissioners

From: Gary M Cannon, Executive Director

RE: Medical Services Provider Manual 2025

The Commission scheduled a Public Hearing for February 10, 2025 at the Commission's Business Meeting to review written comment and receive public comment on the proposed changes to the 2025 Medical Services Provider Manual.

Attached is the Advisory Notice announcing the Public Hearing, Fair Health's Fee Schedule Analysis, and the only written comments received, a letter from Mr. Gregory M. Gilbert, Chief Reimbursement and Government Relations Officer for Concentra.

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Workers' Compensation Commission

Advisory Notice

2025 Medical Services Provider Manual

January 13, 2025

At the Business Meeting on January 13, 2025, the Commission received the Summary of Proposed Changes, the Analysis of Anesthesia Conversion Factor and the Fee Schedule Analysis to update the Medical Services Provider Manual for 2025. The Commissioners scheduled a Hearing to receive public comment on the proposed changes at the Business Meeting, on Monday, February 10, 2025, in Hearing Room A at the Commission's office, 1333 Main Street, Suite 500, Columbia, SC 29201.

To access the documents, please click [here](#).

Interested parties may submit written comments by email to Gary Cannon at gcannon@wcc.sc.gov.

The Commission will consider final approval of the 2025 Medical Services Provider Manual at the March 17, 2025 Business Meeting. The effective date of the 2025 Manual will be April 1, 2025.

For additional information contact:

Gary M Cannon
Executive Director
Gcannon@wcc.sc.gov

Fee Schedule Analysis

January 9, 2025

FAIR Health appreciates the opportunity to assist the South Carolina Workers' Compensation Commission in updating the Medical Services Provider Manual (MSPM). This analysis uses medical call data (2023 dates of service) provided by the National Council on Compensation Insurance, Inc. (NCCI) and South Carolina maximum allowable payment (MAP) amounts to review conversion factors and propose MAP values for the 2025 fee schedule.

FAIR Health received paid amounts from NCCI for the 2023 calendar year, aggregated at the procedure code/modifier level. FAIR Health used the data to:

1. Compare 2023 actual spending to projected amounts based on 2023 fee schedule MAPS.
2. Project spending for 2024.
3. Project spending for 2025 based on multiple conversion factor alternatives.

2023 Paid Data and Frequencies

The following is a summary of the 2023 data received from NCCI:

NCCI Data – 2023 Calendar Year (Before Validation)

Service Type	Total Paid	Total Charged	Transactions	Units
Ambulance*	\$2,830,907	\$6,089,293	16,265	381,128
Anesthesia**	\$1,292,730	\$7,928,795	4,644	524,122
CPT (Less Anesthesia)	\$58,288,846	\$132,261,644	680,845	941,227
HCPCS (Less Ambulance)	\$21,596,586	\$32,374,058	73,479	629,011
Total	\$84,009,069	\$178,653,790	775,233	2,475,488

*Assumes most units are miles

**Assumes most units are minutes

Data Used in the Analysis

FAIR Health used the following methodology to analyze the NCCI data and project future payments based on fee schedule MAPs:

- The NCCI paid data from 2023 were used to determine the number of occurrences (frequency) for each service.
- Services were reviewed at the procedure code/modifier level to account for differences in paid amounts based on fee schedule MAP amounts and policies. For example:
 - Codes reported with modifiers 26 and TC were projected separately, based on the occurrences in the NCCI data and MAP amounts in the fee schedule.
 - HCPCS Codes reported with modifiers NU (new), UE (used) and RR (rental) were projected separately based on the occurrences in the NCCI data and fee schedule MAP values.

- Records with other modifiers or with modifiers NU, UE and RR appended to codes where these modifiers are not applicable and/or expected were considered as though the records did not contain modifiers.
- Services containing modifiers that are paid at adjusted amounts according to South Carolina policies (e.g., assistant surgeon modifiers 80-82 and AS) were projected based on 2023 occurrences and adjusted MAP amounts.

2023 Spending

Actual spending from 2023 based on the NCCI data was compared to projected spending based on 2023 fee schedule MAP values.

Category	Frequency	Payments (NCCI)	2023 Fee Schedule Projections
Evaluation and Management	114,061	\$14,886,338	\$17,434,589
HCPCS Level II	317,329	\$5,319,523	\$6,928,803
Medicine and Injections	11,716	\$1,223,748	\$1,287,750
Pathology and Laboratory	10,583	\$369,903	\$415,084
Physical Medicine	717,480	\$24,604,226	\$34,530,514
Radiology	45,376	\$4,484,168	\$4,443,673
Special Reports and Services	865	\$43,529	\$47,655
Surgery	29,626	\$11,459,855	\$12,546,226
Total	1,247,036	\$62,391,290	\$77,634,294

2024 Projections

- Total dollar amounts were projected based on 2023 occurrences and 2024 relative value units (RVUs).
- Using these frequencies and RVUs, FAIR Health projected the estimated spending based on 2024 fee schedule MAP values, including the 9.5% cap on MAP increases and decreases compared to the prior year, where applicable.
- Ambulance data is paid at 100% of Medicare and is not included in this analysis.
- Please see the separate analysis for anesthesia.

Category	Frequency	Total RVUs	2024 Fee Schedule Projections
Evaluation and Management	114,061	346,637	\$17,836,332
HCPCS Level II	255,945	141,521	\$7,131,347
Medicine and Injections	11,716	25,878	\$1,318,350
Pathology and Laboratory	10,583	8,224	\$423,148
Physical Medicine	717,480	671,496	\$34,495,464
Radiology	45,376	86,216	\$4,440,309
Special Reports and Services	865	941	\$48,382
Surgery	29,626	247,253	\$12,718,949
Total	1,185,652	1,528,165	\$78,412,280

2025 Projections and Alternate Conversion Factors

- The projections for the 2025 fee schedule are based on 2023 frequencies and 2025 RVUs, to which the current conversion factor of 51.5 is applied. Projections based on other conversion factors: 50, 51, 52 and 53 are also provided. The cap of +/- 9.5% of the prior year's MAP value for each service was applied, when appropriate, in providing these projections.
- Certain 2025 MAP values used for these projections were calculated based on the following assumptions:
 - If a service is not valued in the Medicare Physician Fee Schedule, FAIR Health determined whether the service was valued by another Medicare fee schedule (e.g., the Clinical Laboratory, DMEPOS or Average Sales Price drug fee schedule). FAIR Health used Medicare values in the analysis whenever a Medicare value was available.
 - If Medicare did not provide a professional value in *any* fee schedule for a service, FAIR Health gap filled the value using RVUs calculated by FAIR Health based on our repository of private claims data.
 - FAIR Health does not gap fill values for new codes effective January 1, 2025, that were not valued by Medicare. FAIR Health requires a minimum threshold of claims for a procedure before we can establish an RVU. FAIR Health will evaluate these codes for the 2026 MSPM to determine if we are able to value these codes at that time.

2025 Projections – Current and Alternate Conversion Factors

Category	Freq.	2025 RVUs	CF=50	CF=51	CF=51.5 (current)	CF=52	CF=53
Eval & Mgmt	114,061	343,260	\$ 17,163,153	\$ 17,497,332	\$ 17,664,597	\$ 17,831,512	\$ 18,165,476
HCPCS Level II	255,945	145,484	\$ 7,332,984	\$ 7,346,132	\$ 7,343,547	\$ 7,340,698	\$ 7,352,611
Medicine & Injection	11,716	25,710	\$ 1,273,414	\$ 1,297,341	\$ 1,309,360	\$ 1,321,342	\$ 1,345,345
Path & Lab	10,583	8,330	\$ 417,800	\$ 424,656	\$ 420,445	\$ 422,960	\$ 430,350
Physical Medicine	717,480	663,074	\$ 33,129,484	\$ 33,751,199	\$ 34,062,850	\$ 34,372,888	\$ 34,994,575
Radiology	45,376	84,907	\$ 4,244,781	\$ 4,329,451	\$ 4,371,863	\$ 4,414,123	\$ 4,498,807
Special Reports	865	929	\$ 46,451	\$ 47,344	\$ 47,792	\$ 48,237	\$ 49,130
Surgery	29,626	244,992	\$ 12,240,839	\$ 12,477,981	\$ 12,596,748	\$ 12,715,395	\$ 12,952,953
Grand Total	1,185,652	1,516,685	\$ 75,848,906	\$ 77,171,436	\$ 77,817,202	\$ 78,467,154	\$ 79,789,247

Upon approval of a conversion factor for 2025, FAIR Health will provide an updated Medical Services Provider Manual, which will include all approved changes in policies and a final set of rate tables.

Please let us know if you have any questions.

Analysis of Anesthesia Conversion Factor

January 9, 2025

The South Carolina Workers' Compensation Commission requested FAIR Health to review the conversion factor that determines reimbursement for anesthesia services under the South Carolina Medical Services Provider Manual.

FAIR Health reviewed the anesthesia conversion factor from several aspects:

- Comparison to Medicare
- Comparison to private health insurance
 - Billed charges
 - Allowed amounts
- 2024 conversion factor survey results from the Anesthesia Society of America (ASA)
- Comparison to other states' workers' compensation fee schedules

The Commission increased the anesthesia conversion factor from \$30.00 to \$32.85 in the 2023 South Carolina Medical Services Provider Manual (MSPM) . The anesthesiology maximum allowable payment (AMAP) is the sum of the Basic MAP amount plus the Time Value Amount payment. The Basic MAP amount is set in the fee schedule based on the conversion factor x base units. The Time Value amount is calculated based on the \$32.85 conversion factor x each 15-minute time unit.

For example:

CPT 01380 – anesthesia for all closed procedures on knee joint

	60-Minute Surgery (4 Time Units)	120-Minute Surgery (8 Time Units)
Basic MAP (3 base units)	\$ 98.55	\$ 98.55
Time Value Amount	\$ 131.40	\$ 262.80
Total AMAP	\$ 229.95	\$ 361.35

Medicare

CMS reduced the Medicare anesthesia conversion factor slightly in 2025 to maintain budget neutrality for professional fees. The South Carolina anesthesia conversion factor was increased from \$30.00 to \$32.85 in 2023 and is currently 161.8% of the national CMS anesthesia conversion factor. The comparison below is based on the Medicare conversion factor published in the 2025 Final Rule.

	National Comparison Anesthesia	South Carolina Comparison	
		Anesthesia	Other Professional Services
South Carolina 2024 Conversion Factor	\$32.85	\$32.85	\$51.50
2025 Medicare Conversion Factor	\$20.3178 (National)	\$19.78 (Adjusted by CMS for South Carolina)	\$32.36
Ratio	161.7%	166.1%	159.1%

Private Health Insurance

FAIR Health collects data for anesthesia services from private payors (nearly 50 payors contribute data for anesthesia services performed in South Carolina) and uses this data to develop benchmarks, including benchmarks for anesthesia conversion factors. Insurers and administrators that participate in the FAIR Health Data Contribution Program are required to submit all of their data; they cannot selectively choose which data to contribute to FAIR Health. We are providing benchmarks for anesthesia conversion factors in two different ways:

- Charge benchmarks based on the non-discounted charges billed by providers before any network discounts are applied; and
- Allowed benchmarks that reflect network rates that have been negotiated between the payor and the provider.

The benchmarks below are based on anesthesia services in the FAIR Health database provided in the state of South Carolina. Charge benchmarks for Anesthesia (Billed) are based on claims from July 2023 through June 2024 and allowed benchmarks for Anesthesia (Allowed) are based on allowed amounts from claims incurred from January through December 2023. These are the latest releases available at the time of developing this report.

The benchmarks for allowed anesthesia, representing rates contracted with network providers under private health insurance, may be used to compare to the South Carolina conversion factor. It aligns to what is being paid for services provided to workers' compensation patients.

Conversion Factor Percentile											
Type	Release	Average	5th	10th	15th	20th	25th	30th	35th	40th	45th
Billed	Nov. 2024	139.06	50.74	68.45	77.19	85.62	97.94	107.71	114.47	120.73	128.40
Allowed	Aug. 2024	59.85	22.64	28.26	30.06	33.85	40.03	45.07	51.54	56.61	59.37

Conversion Factor Percentile											
Type	Release	50th	55th	60th	65th	70th	75th	80th	85th	90th	95th
Billed	Nov. 2024	142.69	150.55	158.08	166.06	170.24	174.14	179.00	186.68	200.59	225.84
Allowed	Aug. 2024	60.57	62.12	65.36	70.20	72.40	74.34	77.62	82.45	85.91	101.89

In this analysis, the current \$32.85 conversion factor falls between the 15th and 20th percentiles of allowed values for private insurance, which is unchanged from last year. That means that between 80% and 85% of the allowed values in the FAIR Health database are equal to or greater than \$32.85. The 50th percentile (conversion factor of \$60.57) is the median conversion factor value in the private insurance data and the average allowed conversion factor benchmark is \$59.85. The average allowed is up approximately \$2 from last year.

ASA Survey Results for Commercial Fees Paid for Anesthesia Services

The American Society of Anesthesiologists (ASA) publishes an annual study on conversion factors which can be found at:

https://journals.lww.com/monitor/citation/2024/11000/asa_commercial_conversion_factor_survey_results

The ASA surveys anesthesiology practices across the country, asking them to report the conversion factors for up to five of their largest commercial managed care contracts. This study publishes the results of that survey, which are normalized based on 15-minute time units, and which is the same time unit used by South Carolina in the MSPM.

The survey, which is published in the ASA Monitor November 88(11): p 1-11, November 2024 reports a national average commercial conversion factor of \$85.41, and a national median conversion factor of \$79.00 was derived from the 2023 ASA Commercial CF Survey. The chart below shows the low (25th percentile), median, average, and high (75th percentile) conversion factors nationally, for the southeast region and for South Carolina according to study. South Carolina practices are included in the Southeast Region in the ASA survey.

	National	Southeast Region	South Carolina
Low	65.86	73.00	65.86
Median	75.49	91.09	75.00
Average	80.70	95.74	83.06
High	88.38	117.00	87.00

State Workers' Compensation Fee Schedules

FAIR Health reviewed anesthesia conversion factors documented in state workers' compensation fee schedules effective in 2024.

State	Conversion Factor (per 15-minute time unit)
South Carolina	\$32.85
Alabama	\$63.41
Arizona	\$61.00
Colorado	\$44.00
Florida	\$29.49
Georgia	\$65.73*
Kentucky	\$78.53
Louisiana	\$50.00
Maryland	\$22.81
Mississippi	\$75.00
North Carolina	\$58.20 – first 60 min \$30.75 – after 60 min
North Dakota	\$74.12
Ohio	\$40.76
Oklahoma	\$54.00
Tennessee	\$75.00
Virginia (6 regions)	\$51.48 - \$82.59

* The Georgia conversion factor is based on 10-minute time units. The value has been adjusted to a 15-minute conversion factor to facilitate comparisons

FAIR Health assists Arizona, Georgia, Kentucky, Mississippi, North Carolina, North Dakota, Oklahoma, and Tennessee in updating their fee schedules. As we are doing for the South Carolina Workers' Compensation Commission, FAIR Health provides research and analysis to support decision making. FAIR Health does not make or recommend fee schedule changes.

Summary

FAIR Health presents this analysis to the Commission to assist with decision making. In summary:

- The current South Carolina anesthesia conversion factor is \$32.85 or 166.1% of the 2025 Medicare anesthesia conversion factor for South Carolina and 161.7% of the national Medicare anesthesia conversion factor.
- The average allowed conversion factor increased nearly \$3 to \$59.85 in private healthcare from claims incurred in 2022 to claims incurred in 2023 (this is the most currently available data).
- Based on the 2024 ASA commercial conversion factor survey results, the South Carolina workers' compensation conversion factor is low when compared to the national, regional and state level conversion factors.
- South Carolina's conversion factor of \$32.85 is low when compared to other states' workers' compensation programs.
- The ratio of the South Carolina workers' compensation conversion factor to the Medicare conversion factor for other professional services is slightly greater than 159%. The South Carolina conversion factor is \$51.50 in comparison to Medicare's \$32.36. However, the MAP amounts in the MSPM may also be limited by the +/- 9.5 percent cap on increases or decreases each year. In instances that the MAP is limited by the cap, the formula-based conversion factors for professional services other than anesthesia would not be applicable.



Summary of Proposed Changes
2025 Medical Services Provider Manual
January 9, 2025

FAIR Health reviewed the policies in the Medical Services Provider Manual (MSPM) under the direction of the South Carolina Workers' Compensation Commission (WCC). This is a preliminary version of the summary and will be updated when final changes are approved.

The codes in the provider manual will be made current by including codes established for 2025 and deleting obsolete codes. Maximum allowable payment (MAP) amounts will be updated based on the conversion factors adopted by the Workers' Compensation Commission. In addition to administrative changes such as updating copyright dates, code ranges, numerical examples and URL links, substantive changes to the text, which are outlined below, are included in the proposed version of the 2025 MSPM. Page numbers refer to the pages in the South Carolina MSPM effective April 1, 2024.

There are very few substantive changes proposed for the 2025 MSPM. The following sections have no proposed changes:

- Part 1 Chapter I. Overview and Guidelines: Healthcare Common Procedure Coding System
 - Chapter II. General Policy
 - Chapter III. Billing Policy
- Part 2 Section 2. Anesthesia
 - Section 3. Surgery
 - Section 4. Radiology
 - Section 5. Pathology and Laboratory
 - Section 8. Special Reports and Services
 - Section 9. HCPCS Level II

Where applicable, new text is underlined and deleted text is marked with a ~~strikethrough~~.

Part I

Chapter IV. Payment Policy

Changes to the Payment Dispute Resolution Process and an update to the Initial Medical Bill Dispute Form called for changes in the Payment Policy chapter.

- Page 17 – Remove “(See Request a State of South Carolina Secure Email in this chapter.)” from number 6 in the Timely Payment section.
- Page 17 – Remove “(See Request a State of South Carolina Secure Email in this chapter.)” from the Payment Reconsideration section.

- Page 18 – Remove the Request a State of South Carolina Secure Email section

~~Request a State of South Carolina Secure Email~~

~~The following steps must be taken to obtain a secure email account with South Carolina Workers' Compensation Commission (SCWCC):~~

- ~~1. Send an email to mbdispute@wcc.sc.gov with the following in the subject line (please do not alter the wording):~~

~~Sign up for a SC State Secure Email Account Request~~

- ~~2. You will receive two emails:~~

- ~~3. Upon receipt of the WELCOME email, click the link to “activate your personal account” and follow the instructions on the page. Once you have finished setting up your new secure email account you will see an inbox. Please read the initial email for additional instruction on initiating a new Medical Bill Dispute or adding additional documentation to an existing medical dispute.~~

- Page 18 – Remove “(See Request a State of South Carolina Secure Email in this chapter.)” from the Approved Reviewers Submitting Claims To The Commission For Review section.
- Pages 19-21 – Replace the existing Initial Medical Bill Dispute Form with the updated form (see attached)

Part II

Fee Schedule

Section 1. Evaluation and Management (E/M) Services

- Page 35, Levels Of E/M Services – Added a code range specific to telehealth evaluation and management.

Time alone may be used to select the appropriate code level of office or other outpatient evaluation and management services (CPT 99202-99205 and 99212-99215), inpatient and observation care, (CPT 99221-99223, 99231-99236 and 99238-99239), nursing facility services (99307-99310) and (99315-99316) and home and residence services (99341-99345) and telehealth evaluation and management services (CPT 98000-98016). Consultation codes (CPT 99242-99245 and 99252-99255), are not reimbursable under the *Medical Services Provider Manual*.

- Page 39, Modifiers – removed language from Modifier 95. Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System that refers users to a list of codes approved by CPT. In removing the reference, the Commission aligns the modifier language to its policy of considering codes permitted by both CPT and CMS as telehealth eligible.

95 Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System

Synchronous telemedicine service is defined as a real-time interaction between a physician or other qualified health care professional and a patient who is located at a distant site from the physician or other qualified health care professional. The totality of the communication of information exchanged between the physician or other qualified health care professional and

the patient during the course of the synchronous telemedicine service must be of an amount and nature that would be sufficient to meet the key components and/or requirements of the same service when rendered via a face-to-face interaction. ~~Modifier 95 may only be appended to the services listed in Appendix P of CPT 2024/2025. Appendix P is the list of CPT codes for services that are typically performed face-to-face, but may be rendered via a real-time (synchronous) interactive audio and video telecommunications system.~~

Section 6. Medicine and Injections

- **Page 373, Modifiers** - removed language from Modifier 95. Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System that refers users to a list of codes approved by CPT. In removing the reference, the Commission aligns the modifier language to its policy of considering codes permitted by both CPT and CMS as telehealth eligible.
- 95 Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System

Synchronous telemedicine service is defined as a real-time interaction between a physician or other qualified health care professional and a patient who is located at a distant site from the physician or other qualified health care professional. The totality of the communication of information exchanged between the physician or other qualified health care professional and the patient during the course of the synchronous telemedicine service must be of an amount and nature that would be sufficient to meet the key components and/or requirements of the same service when rendered via a face-to-face interaction. ~~Modifier 95 may only be appended to the services listed in Appendix P of CPT 2024/2025. Appendix P is the list of CPT codes for services that are typically performed face-to-face, but may be rendered via a real-time (synchronous) interactive audio and video telecommunications system.~~

Section 7. Physical Medicine

- **Page 428, Modifiers** removed language from Modifier 95. Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System that refers users to a list of codes approved by CPT. In removing the reference, the Commission aligns the modifier language to its policy of considering codes permitted by both CPT and CMS as telehealth eligible.
- 95 Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System

Synchronous telemedicine service is defined as a real-time interaction between a physician or other qualified health care professional and a patient who is located at a distant site from the physician or other qualified health care professional. The totality of the communication of information exchanged between the physician or other qualified health care professional and the patient during the course of the synchronous telemedicine service must be of an amount and nature that would be sufficient to meet the key components and/or requirements of the same service when rendered via a face-to-face interaction. ~~Modifier 95 may only be appended to the services listed in Appendix P of CPT 2024/2025. Appendix P is the list of CPT codes for services that are typically performed face-to-face, but may be rendered via a real-time (synchronous) interactive audio and video telecommunications system.~~

State of South Carolina

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



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

Workers' Compensation Commission

INITIAL MEDICAL BILL DISPUTE FORM

Date:

PERSON REQUESTING MEDICAL BILL REVIEW/DISPUTE

Name:

Email Address:

Telephone:

WCC # (if available):

Carrier Claim #:

PATIENT INFORMATION

Patient Name

Prefix:

First Name:

Middle Initial:

Last Name:

Suffix:

Last 5 digits of Social Security Number:

MEDICAL PROVIDER INFORMATION

Name of Provider:

Provider Mailing Address:

City, State, Zip:

Provider Contact Name:

Provider Contact Email Address:

Provider Contact Telephone:

Provider Contact Supervisor Name:

Provider Contact Supervisor Email Address:

Provider Contact Supervisor Telephone:

EMPLOYER INFORMATION

Employer Name:

Employer Mailing Address:

City, State, Zip:

Employer Contact Name:

Employer Contact Email Address:

Employer Contact Telephone:

INSURANCE CARRIER INFORMATION

Carrier Name:
Carrier Mailing Address:
City, State, Zip:
Carrier Contact Name:
Carrier Contact Email Address:
Carrier Contact Telephone:

THIRD PARTY ADMINISTRATOR (TPA)

TPA Contact Name:
TPA Contact Email:
TPA Contact Telephone:

CASE INFORMATION

Dates of Service (mm/dd/yyyy – may enter multiple dates):
Date of Injury (DOI) (mm/dd/yyyy):
First Bill Date (mm/dd/yyyy):
2nd Notice Date (mm/dd/yyyy – must be at least 30 days after first bill date):
Employer/Carrier/TPA response date (mm/dd/yyyy) – must be after first bill date and up to 30 days after second notice:

REASON FOR THE DISPUTE

Instructions:

This form and the following attachments should be submitted via **secure** email to the Medical Services Division at MBDispute@wcc.sc.gov. The document file name of attachments should include the patient's last name and a description of the document is (i.e., first bill, second notice, or EOB), date of injury (i.e., yyyyymmdd).

- INITIAL MEDICAL BILL DISPUTE FORM (document file name example: Iname_MBD_yyyymmdd.pdf)**
- First Bill – (document file name example: Iname_First_Bill_yyyymmdd.pdf)**
- Second Notice – (document file name example: Iname_Second_Notice_yyyymmdd.pdf)**
- EOB – (document file name example: Iname_EOB_yyyymmdd.pdf)**
- Supplemental documentation – (document file name example: Iname_Additional_Correspondence_yyyymmdd.pdf) (if applicable)**
- Provider/Carrier Authorization: verbal Written (document file name example: Iname_authorization_yyyymmdd.pdf)**

Attachments: Attachments must be in .pdf format (when creating your .pdf, please create as black and white and condensed version of .pdf to reduce the size of the attachments. The size limitation for secure mail attachments is **20MB**).

If, following a review of the submitted information, the Medical Services Division determines that the submitted petition is complete and the issue presented is within the regulatory purview of the Medical Services Division to review, the Medical Services Division shall notify the Employer's Representative of the petition/dispute through a "Notice of Dispute" (with copy to the Provider) and request that, within 30 days of such notification, the Employer's Representative provide documentation supporting its denial or modification of payment to the Provider. Within 21 days of the earlier of the close of the 30 day response period or receipt of the Employer's Representative's documentation, the SCWCC Medical Service Division shall make determination concerning the petition/dispute. Per SCWCC Regulations, the decision of the Medical Services Division shall be final.

All email correspondence sent from the SC Workers Compensation Commission will be sent securely via the SC Department of Administration's secure email protocols.

South Carolina Workers' Compensation Commission
Attn: Gary Cannon
1333 Main Street, 5th Floor
PO Box 1715
Columbus, SC 29202-1715

February 3, 2025

Mr. Cannon:

Please let this letter serve as Concentra's written comments on the proposed 2025 Medical Services Provider Manual (MSPM). Our key comment relates to the proposed new Telemedicine CPT codes and conversion factor update.

The proposed new codes for Telemedicine (CPT 9800-98015) are currently valued by Medicare but are listed with a subcode I - Not valid for Medicare purposes. Medicare continues to use E&M codes and appropriate modifier for these services. We recommend that South Carolina not use these codes until Medicare approves these codes for use within their system.

As it relates to the proposed conversion factor updates, we recommend that the South Carolina conversion factor used for 2025 be \$53.00. Any conversion factor below that will result in a decrease in our reimbursement. For example, a conversion factor of \$51.50 will result in a 1.29% decrease in our reimbursement. That decrease would cancel out the increased we saw last year of 1.22%. Alternately, the use of the potential \$53 conversion factors will result in a 1.5% increase in our overall reimbursement.

We considered this a reasonable adjustment given the Medicare Economic Index (MEI) was set at 2.6% for 2025. The MEI¹ is a measure of practice cost inflation that was developed in by CMS 1975 to estimate annual changes in physicians' operating costs and earnings levels. Of note, many states use the MEI (Texas, Georgia, Maryland, and California) to annually adjust their RBRVS workers' conversation fee schedules.

Given the cost of running a physician practice increases each year, a proposal of decreases will be hard to sustain for most providers providing care to injured workers in South Carolina.

Thank you for the opportunity to comment on the proposed rules and I welcome any further questions you may have on our proposal.

Regards,



Gregory M. Gilbert
Chief Reimbursement and Government Relations Officer

CC: Mike Kosuth

¹ Reference CMS Web Site for Market Basket Indices at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MedicareProgramRatesStats/MarketBasketData.html>

February 8, 2025

Gary Cannon
Executive Director
SC Workers' Compensation Commission
via email: gcannon@wcc.sc.gov



Dear Director Cannon:

The South Carolina Orthopaedic Association, representing orthopaedic surgeons throughout South Carolina who are both employed by health systems and working in private practice, is pleased to offer comments related to the proposed Medical Services Provider Manual (MSPM) update.

SCOA was honored to participate in the Ad Hoc MSPM Advisory Committee in 2021. We were encouraged by the Committee's recommendations – particularly that SC's Maximum Allowable Payment (MAP) to authorized providers be increased to mirror the percentage paid by neighboring states and be more closely aligned to the multi-state median values as depicted by the "WCRI Medical Price Index for Workers' Compensation, 13th Edition, May 2021." The current disparity is well-documented in the Committee's recommendations as well as the more current WCRI Medical Price Index for Workers' Compensation, 16th Edition, May 2024.

Unfortunately, we do not believe this recommendation can be achieved by a "fee schedule-neutral" conversion factor designed to reflect a similar level of spending as Fair Health has been instructed to calculate.

The cost incurred by providers to treat injured workers has not been "neutral" for many years; therefore, expecting them to continue providing medical services for neutral payment is unrealistic.

We look forward to future collaboration with Stakeholders and the Commission to pursue medical provider payment reform for workers' compensation services in South Carolina.

Respectfully,

A handwritten signature in black ink, appearing to read "Fraser Cobbe".

Fraser Cobbe
Executive Director

South Carolina Orthopaedic Association
522 S. Hunt Club Blvd #412, Apopka, FL 32703
844.234.7800 | www.scoanet.org

TAB 12

MEMORANDUM

TO: Gary M. Cannon, Executive Director

FROM: J. Keith Roberts, General Counsel

RE: Proposal to Amend Reg. 67-1507

DATE: March 7th, 2025

Commission staff proposes initiating the process to amend Reg. 67-1507. This regulation allows a self-insurer to secure the payment of compensation by posting an irrevocable letter of credit for an amount sufficient to pay the self-insurer's anticipated claims liability in the event the self-insurer becomes unable to pay themselves. The regulation also provides for how the Commission may go about drawing down on an irrevocable letter of credit.

However, unlike Reg. 67-1505 (Bond) or Reg. 67-1506 (Securities Pledge), Reg. 67-1507 does not contain language on how the Commission should release the funds or a portion thereof when the Commission determines that all contingent liability arising during the period of liability has expired. While nothing in the current law prevents a party with proper standing from petitioning the Commission for release of the funds or a portion thereof, the specific procedure is not spelled out in the manner it is for funds drawn on a bond or pledged security.

The first step under § 1-23-110(A)(1) requires the Commission to publish a Notice of Drafting in the State Register. I recommend the Commission authorize staff to proceed with the publication of the Notice of Drafting. The proposed text of the regulation does not have to be published until after the notice of drafting is published in the State Register.

NAME OF AGENCY

CHAPTER 67

Statutory Authority: 1976 Code Sections 42-3-30 & 42-5-20

Notice of Drafting:

The South Carolina Workers' Compensation Commission proposes to amend existing Regulation 67-1507 to clarify the manner in which the Commission may release the funds paid to the Commission from a letter of credit on behalf of an insolvent self-insurer when the Commission determines that all contingent liability arising during the period of self-insurance has expired. Interested persons may submit comments by March 28th, 2025 to Gary M. Cannon, Executive Director, South Carolina Workers' Compensation Commission, PO Box 1715, Columbia, SC, 29202-1715, or electronically at gcannon@wcc.sc.gov.

Synopsis:

The South Carolina Workers' Compensation Commission proposes to amend Regulation 67-1506 to clarify the manner in which the Commission may release the funds paid to the Commission from a letter of credit on behalf of an insolvent self-insurer when the Commission determines that all contingent liability arising during the period of self-insurance has expired. This amendment will make Reg. 67-1506 internally consistent with Regs. 67-1503 through 1506.

Legislative review of this amendment is required.

DOCUMENT TRANSMITTAL FORM

This form must be completed and submitted with each document filed with the Editor of the *State Register* in the Legislative Council

1. Agency Name SC Workers' Compensation Commission	2. Chapter Number 67	3. Date of Filing 02/14/2025
4. Regulation Number 67-1507	5. Subject of Regulation Self-insurer's proof of compliance, irrevocable letter of credit.	
6. Statutory Authority S.C. Code Ann. § 42-3-30; § 42-5-20		

7. 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

8. For Additional Information, Contact Gary M. Cannon, Executive Director S.C. Workers' Compensation Commission	9. Telephone Number (803)737-5700	
10. Typed Name of Official J. Keith Roberts, General Counsel	11. Signature of Official	12. Date

SOUTH CAROLINA STATE REGISTER USE ONLY	
13. For publication in SR Volume ____ Issue ____ Document Number ____ Verification: ____	OFFICIAL FILING STAMP