

A G E N D A
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201
March 11, 2024 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

<https://us02web.zoom.us/j/8249297108?pwd=akcwMkMxSnZyQWFxdEs4V2x6UWtyUT09&omn=85189443612>

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 11, 2024 | CHAIRMAN BECK |
| 3. APPROVAL OF MINUTES OF THE REGULAR BUSINESS MEETING FEBRUARY 12, 2024 (Tab 1) | CHAIRMAN BECK |
| 4. APPROVAL OF MINUTES OF SPECIAL BUSINESS MEETING FEBRUARY 19, 2024 | CHAIRMAN BECK |
| 5. REGONITION OF AGENCY EMPLOYEES BIRTHDAYS | CHAIRMAN BECK |
| 6. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2)
A. Self-Insurance Department Report | MS. BROWN |
| 7. 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 |
| 8. DEPARTMENT OF VOCATIONAL REHABILITATION
Monthly Report (Tab 9) | MR. CANNON |
| 9. EXECUTIVE DIRECTOR'S REPORT (Tab 10) | MR. CANNON |
| 10. OLD BUSINESS (Tab 11)
Approval of 2024 Medical Services Provider Manual | CHAIRMAN BECK |
| 11. NEW BUSINESS | CHAIRMAN BECK |
| 12. EXECUTIVE SESSION | CHAIRMAN BECK |
| 12. ADJOURNMENT | CHAIRMAN BECK |

Table of Contents

1	Approval of Minutes of Business Meeting of February 12, 2024
2	Approval of Minutes of Special Meeting of February 19, 2024
3	Self-Insurance
4	Administrative Services
5	Information Services
6	Insurance & Medical Services
7	Claims
8	Judicial
9	Vocational Rehabilitation
10	Executive Director's Report
11	Approval of Medical Services Provider Manual
12	New Business

TAB 1

THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING
February 12, 2024

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, February 12, 2024, 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
AVERY WILKERSON, COMMISSIONER
R. MICHEAL CAMPBELL, II, COMMISSIONER
MELODY JAMES, COMMISSIONER
CYNTHIA DOOLEY, COMMISSIONER
AISHA TAYLOR, COMMISSIONER

Present also were Keith Roberts, General Counsel; Christy Brown, Self-Insurance Director; Amy Bracy, Judicial Director; Kristen Mcree, Administrative Services Director, Sonji Spann, Claims Director; Kris Pluss, IT Director; Jordan Mays, Staff Attorney; and Eric Baxley, Staff Attorney. Participating by Zoom Christine O'Donnell, Pauline Williams, and Lydia Muna with FairHealth; Ted Riley, Esq.; and Stacey Cunningham with IWA.

Chairman Beck called the meeting to order at 10:37 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 FEBRUARY 12, 2024

Commissioner McCaskill moved that the minutes of the Business Meeting of February 12, 2024 be approved. Commissioner Dooley seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

No general announcements.

Recognition of Agency employees Birthdays for the month of February 2024.

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. **Nineteen (19)** prospective members of **Two (2)** funds were presented to the Commission for approval. The applications were:

Palmetto Timber Fund

Piedmont Land & Timber LLC
Piedmont Pulp Inc

South Carolina Home Builders SIF

Barrier Island Woodworks LLC
Cicco Construction Group LLC
Coastal Roofing Company Inc
Condor Environmental Inc
Congaree Home Center Inc
Dark Corner Services LLC
Irwin LLC dba Irwin Built
JS II Builders LLC
Nick & Miah's Construction LLC
PNP Construction LLC
Rodgers Drywall LLC
Sincerely Yours Inc
Stoneledge Properties LLC
Tads Custom Cuts LLC
Taps Builders
Twin Systems LLC
Tydes Construction LLC

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. 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

Public Hearing – Medical Services Provider Manual

Chairman Beck called the Public Hearing to order at 11:10 a.m. There were no speakers in person or via Zoom.

The public hearing adjourned at 11:14 a.m.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

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

The February 12, 2024 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:15 a.m.

Reported March 5, 2024
Arnisha Keitt
Executive Assistant

THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
SPECIAL MEETING
February 19, 2024

A Special Meeting of the South Carolina Workers' Compensation Commission was conducted via Zoom on Monday, February 19, 2024, at 3:15 p.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
AVERY WILKERSON, COMMISSIONER
AISHA TAYLOR, COMMISSIONER
R. MICHAEL CAMPBELL, II, COMMISSIONER
MELODY JAMES, COMMISSIONER
CYNTHIA DOOLEY, COMMISSIONER
GENE MCCASKILL, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Keith Roberts, General Counsel, Kristen Mcree, Director of Administrative Services and Mike Montgomery, Esq.

Chairman Beck called the meeting to order at 3:18 p.m.

AGENDA

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

EXECUTIVE SESSION

Commissioner Taylor made a motion to Executive Session to discuss a pending litigation; Commissioner James seconded the motion, and the motion was approved. The Commission went into Executive Session at 3:20 p.m.

Commissioner Wilkerson made the Motion to leave Executive Session at 3:30 p.m.; noting that no action was taken. Commissioner Taylor seconded the motion, and the motion was approved.

OPEN SESSION

Commissioner Taylor made the motion to accept the recommendation of legal counsel. Commissioner McCaskill seconded the motion. Motion was approved.

ADJOURNMENT

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

The February 19, 2024, Special Business Meeting of the South Carolina Workers' Compensation Commission adjourned at 3:31 p.m.

Reported February 22, 2024

Gary M Cannon
Executive Director

TAB 2

TAB 3

State of South Carolina



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Columbia, S.C. 29202-1715

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Workers' Compensation Commission

To: Gary Cannon, SCWCC Executive Director
From: Kristen McRee, Director of Administrative Services
Date: March 11, 2024
Subject: Administrative Department February 2024 Full Commission Report

This report summarizes the Human Resources, Procurement, Information Security operations and initiatives during February 2024.

I. Human Resources

Hiring Recruitment & Retention

In February, Human Resources continued recruiting efforts to fill the Program Coordinator I position vacancy in the Insurance and Medical Services Department that was reported in January. Interviews were conducted and a candidate was selected. The candidate was onboarded on March 1, 2024. In the coming month, HR will complete the onboarding process which involves inputting the required SCEIS transactions, assisting with benefits elections, updating internal agency reports, and providing the requisite security accesses.

During the month of February, HR also continued efforts to fill the Administrative Assistant position upcoming vacancy in the Insurance and Medical Services Department that was previously reported in January. The posting closed on February 1, 2024 and first round interviews have been completed. Second round interviews will continue through the beginning of March.

HR also began recruiting for a Program Assistant in the Self- Insurance Department to fill a vacancy that occurred earlier in the month. The requisite SCEIS organizational management transactions were completed and the requisition and the job posting were drafted. The position was advertised using the NeoGov platform and published internally to staff. The posting will close on March 8, 2024.

Human Resources also participated in a Learning Consortium meeting. The meeting addressed various ways to streamline the onboarding process. HR also participated in a SuccessFactors/ EPMS meeting with State HR to discuss the implementation process and timeline, a Privacy Day Seminar hosted by the Enterprise Privacy Office, and a PEBA Employer Advisory Group meeting.

Reporting

The final draft of the SCHAC 2024 Annual Report to the General Assembly was released on February 1, 2024. The report was reviewed and a response to the results was prepared and submitted. The Commission remains committed to equal opportunity in the workplace and will continue to seek additional opportunities to expand its recruiting efforts to reach its goals.

Benefits

Open Enrollment for the State Optional Retirement Program (ORP) began on January 1 and will continue until March 1 of each year. Employees subscribing to the State ORP program may change their service providers or, if eligible, may irrevocably elect to participate in the South Carolina Retirement System (SCRS). Any changes made take effect on April 1, 2024.

II. Procurement

In February, the contract for Progress annual maintenance was renewed using sole source procurement procedures. The purchase order has been approved. Administrative services is awaiting receipt of invoices from the vendor.

III. Finance

To streamline and standardize the Commission's internal processing of invoices, the Administrative Department is working with the Department of Administration and Procurement to ensure proper coding of invoices. In February, the Administrative Department and the Executive Director participated in a meeting with the Department of Administration to review current procedures and discuss ways to improve communications and services. This effort is designed to reduce the internal invoice processing time and facilitate a more efficient payment process under the Commission's MOU with Admin. This initiative will also assist with SCEIS financial reporting and ensure that expenditures are more accurately tracked across departments.

TAB 4

State of South Carolina

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

Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

FROM: Kristen McRee, Director Administrative Services

DATE: March 11, 2024

RE: FINANCIAL REPORT – FY Period ending February 29, 2024

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the fiscal year period ending February 29, 2024. The benchmark for this period is 67%.

Expenditures – General Fund – Annual Budget \$2,985,961

The total expenditure for the General Fund year-to-date is \$1,851,440 or 62% of the annual budget as shown on Page 2. Page 3 and 4 reflects the balances of funds appropriated by the General Assembly for the IT System Modernization Project. Those balances remain stable at \$1,695,084 and \$5,000,000 respectively.

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

The Earmarked Fund (38440000) total expenditures year-to-date are \$2,879,566 which is 51% of budget as shown on Page 11.

Revenues – Earmarked Annual Budget \$3,157,092

The Commission posted \$1,864,223 in Earmarked Fund operating revenues year-to-date, which is 59% of the annual budget.

Self-Insurance Tax Funds

The amount budgeted from the Self-Insurance Tax for the Commission is \$2,500,000. The amount received year-to-date is \$2,699,662 which is 108% of budget.

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2024 As of 2/29/2024
67% of year elapsed

Fund 10010000 - GENERAL FUND - Operating Items						
Administration						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501015	DIRECTOR	\$ 146,417	\$ 102,491	70%	\$ 97,611	67%
512001	OTHER OPERATING	\$ 294,907			\$ 2,576	1%
	Total OTHER OPERATING:	\$ 294,907				
Total Administration:		\$ 441,324	\$ 102,491	23%	\$ 118,882	33%

Claims						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	85,630	59,539	70%	56,704	67%
Total Claims:		85,630	59,539	70%	28,352	67%

Commissioners						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501026	CHAIRMAN	177,426	124,197	70%	118,283	67%
501033	COMMISSIONER	1,033,541	723,471	70%	719,491	70%
501050	TAXABLE SUBS	70,000	49,465	71%	45,935	81%
501058	CLASSIFIED POS	370,000	259,636	70%	242,643	65%
Total Commissioners:		1,650,967	1,156,770	70%	1,147,059	69%

Insurance & Medical						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	35,000	25,000	71%	6,730	21%
Total Insurance & Medical:		35,000	25,000	71%	6,730	21%

Employer Contributions						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
513000	EMPLOYER CONTRIB	773,040	507,640	66%	477,782	68%
Total Employer Contributions:		773,040	507,640	66%	477,782	68%
Total GENERAL FUND - Operating Item		2,985,961	1,851,440	62%	1,808,657	63%

Fund 10010000 - GENERAL FUND - Special Items						
IT System Project						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
561000	Special Item	1,695,084			no change	
Total IT System Project:		1,695,084				
Total GENERAL FUND - Special Items:		1,695,084			no change	

Fund 10050023 - GF-NONRECUR APROP-23 - Special Items						
IT System Project						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
561000	Special Item	5,000,000			no change	
Total IT System Project:		5,000,000				
Total GF-NONRECUR APROP-23 - Special Items:		5,000,000			no change	

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2024 As of 2/29/2024
67% of year elapsed

Fund 38440000 - EARMARKED FUND

Administration						
Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	785,985	162,012	21%	142,390	18%
501070	OTH PERS SVC	41,000			6,000	15%
512001	OTHER OPERATING	2,256,948				
5020030000	PRINT / BIND / ADV		4			
5020077100	SERVICES- APP SUP		20,250			
5020077220	SERVICES- VOICENET		14,551			
5020077240	DP SERVICES – STATE		184,847			
5020080000	FREIGHT EXPRESS DELV		9			
5021010000	LEGAL SERVICES		1,523			
5021020000	ATTORNEY FEES		69,705			
5021330000	CONTR-GOVT/NONPRFIT		9,750			
5021330003	CONTR-STATE		9,750			
5021430000	NON-ST EMP TR-NONRP		16			
5021450000	MOTOR VEHICLE SVCS		70			
5021460000	GENERAL REPAIR		300			
5021479211	RUBBISH REMOVAL		3,000			
5021490000	AUDIT ACCT FINANCE		113			
5021540001	PROF SRV-LANG INTER		148			
5021570000	CONTRACTUAL SERVICE		13			
5030010000	OFFICE SUPPLIES		8,202			
5030010004	SUBSCRIPTIONS		8,911			
5030030000	PRINTED ITEMS		6,876			
5030067101	PRGM LIC - APP SUPP		23,528			
5030067110	EQUIP&SUPP- DATA NET		672			
5030067141	PLM- ITSD		9,590			
5030067170	EQUIP&SUPP- PRINT EU		4,187			
5030070000	POSTAGE		33			
5031010001	FURNISHINGS		1,408			
5031479203	JANITORIAL SUPPLIES		1,067			
5033030000	PROMOTIONAL SUPPLIES		51			
5033090000	EMPLOYEE RECOG AWA		771			

5033140002	CREDENTIAL SUPPLIES		15			
5033990000	OTHER SUPPLIES		136			
5040060000	ST RENT-NON ST BLDG					
5040070000	RENT-ST OWN RL PROP		120			
5040490003	RENT PO BOX		1,846			
5040490009	RENT PARKING		17,333			
5040520000	INSURANCE-NON STATE		171			
5041010000	DUES & MEMBER FEES		4,299			
5041020000	FEES AND FINES		317			
5041840000	LEASE BLDG PRINCIPAL		263,262			
5041850000	LEASE BLDG INTEREST		20,120			
5050010000	IN ST-MEALS-NON-REP		319			
5050020000	IN ST-LODGING		2,294			
5050031000	HR-IN ST-AIR TRANS		1,027			
5050041000	HR-IN ST-AUTO MILES		1,096			
5050050000	IN ST-OTHER TRANS		65			
5050060000	IN ST-MISC TR EXP		1,039			
5050070000	TRNG-IN-ST REG FEES		545			
5050570000	TRNG-OUT-ST REG FEE		4,010			
5051540000	LEASED CAR-ST OWNED		26,963			
	Total OTHER OPERATING:	\$ 2,256,948	\$ 724,322	\$ 32	\$ 805,686	35%
Total Administration:		\$ 3,083,933	\$ 886,334	\$ 29	\$ 954,076	31%

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS		\$ 252,681		\$ 231,547	n/a
5020050000	PHOTO & VISUAL SVCS		\$ 3,965		\$ 12,695	
5020077100	SERVICES- APP SUP				\$ 825	
5020077160	SERVICES- MGT ADMN		\$ 50,000			
5020077220	SERVICES- VOICENET		\$ 9,942		\$ 9,652	
5021469316	SECURITY ALARM SRVC		\$ 2,818		\$ 2,713	
5021540000	NON-IT OTHER PRO SRV					
5030010004	SUBSCRIPTIONS		\$ 629			
5030050000	PHOTO & VISUAL SUPP		\$ 4,476		\$ 23,031	
5030067101	PRGM LIC - APP SUPP		\$ 42			
5030067130	EQUIP&SUPP- EUC				\$ 16,345	
5030067170	EQUIP&SUPP- PRINT EU					
5031469316	SCRTY ALRM SYS SUPPL		\$ 782			
5040057000	CONTINGNT RENT - IT		\$ 1,271		\$ 1,830	
5050020000	IN ST-LODGING		\$ 334		\$ 504	
5050041000	HR-IN ST-AUTO MILES		\$ 223		\$ 233	
5060322000	TV/Radio Eq Acq (MA)					
	Total OTHER OPERATING:		\$ 74,480		\$ 67,953	n/a
Total Inform. services:			327,161		304,000	

Litigation - it proj

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
5030067101	PRGM LIC - APP SUPP		42			
	Total OTHER OPERATING:		42		0	
Total Litigation - it proj:			42		0	

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	280,850	156,556	56%	138,505	49%
501070	OTH PERS SVC				14,935	
512001	OTHER OPERATING	19,700				
5050010000	IN ST-MEALS-NON-REP		117			
5050020000	IN ST-LODGING		936		504	
5050041000	HR-IN ST-AUTO MILES		210		196	
	Total OTHER OPERATING:	19,700	1,263	6%	701	4%
Total Claims:		300,550	157,818	53%	154,141	51%

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501050	TAXABLE SUBS	\$ 70,000				
501070	OTH PERS SVC	\$ 3,000				
512001	OTHER OPERATING	\$ 233,700				
5020077112	NCV- DATA NET		\$ 3,384			
5020077113	MOBILE HOTSPOT SRVC		\$ 2,976			
5020120000	CELLULAR PHONE SVCS		\$ 8,519			
5021010000	LEGAL SERVICES		\$ 3,346			
5021010003	LEGAL SRV-TRANSCRIPT		\$ 938			
5021010005	LEGAL SRV-REPORTER		\$ 67,363			
5021070000	ATTRNY FEES-AD LITEM		\$ 625			
5021540000	NON-IT OTHER PRO SRV		\$ 567			
5030067130	EQUIP&SUPP- EUC		\$ 2,137			
5030090000	COMMUNICATION SUPP		\$ 1,340			
5041020000	FEES AND FINES		\$ 75			
5050010000	IN ST-MEALS-NON-REP		\$ 2,130			
5050020000	IN ST-LODGING		\$ 10,367			
5050031000	HR-IN ST-AIR TRANS		\$ 1,559			
5050041000	HR-IN ST-AUTO MILES		\$ 18,787			
5050050000	IN ST-OTHER TRANS		\$ 320			
5050060000	IN ST-MISC TR EXP		\$ 1,091			
5050080000	IN ST-SUBSIST ALLOW		\$ 6,369			
	Total OTHER OPERATING:	233,700	\$ 131,892	56%	\$ 149,619	65%
Total Commissioners:		306,700	\$ 131,892	43%	\$ 149,619	50%

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	459,463	321,327	70%	\$ 272,938	59%
501070	OTH PERS SVC	22,881	10,459	46%	\$ 11,935	52%
512001	OTHER OPERATING	114,500			\$ 34,570	63%
5020080000	FREIGHT EXPRESS DELV		20			
5021540000	NON-IT OTHER PRO SRV		9,270			
5024990000	OTH CNT-NON-IT & REA		390			
5030010000	OFFICE SUPPLIES		3,585			
5030010004	SUBSCRIPTIONS		4,500			
5041020000	FEES AND FINES		500			
5050010000	IN ST-MEALS-NON-REP		618			
5050020000	IN ST-LODGING		4,573			
5050031000	HR-IN ST-AIR TRANS		974			
5050041000	HR-IN ST-AUTO MILES		1,660			
5050050000	IN ST-OTHER TRANS		617			
5050060000	IN ST-MISC TR EXP		698			
5140010000	INDM CLAIMS & AWARDS		50,794			
	Total OTHER OPERATING:	114,500	78,198	68%		
Total Insurance & Medical:		596,844	409,984	69%		

Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
501058	CLASSIFIED POS	500,000	347,557	70%	\$ 326,377	65%
501070	OTH PERS SVC	55,000	24,757	45%	\$ 39,831	53%
512001	OTHER OPERATING	45,000			\$ 23,157	93%
5020010000	OFFICE EQUIP SERVICE		1,913			
5030070000	POSTAGE		20,548			
5040490008	RENT POSTAGE EQUIP		703			
5050010000	IN ST-MEALS-NON-REP		127			
5050020000	IN ST-LODGING		936			
5050041000	HR-IN ST-AUTO MILES		840			
5050060000	IN ST-MISC TR EXP		79			
	Total OTHER OPERATING:	45,000	25,146	56%		
Total Judicial:		600,000	397,460	66%	\$ 389,365	65%

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	2023 YTD Expenditures	FY 23 % Used
513000	EMPLOYER CONTRIB	719,818	568,875	79%		
Total Employer Contributions:		719,818	568,875	79%	\$ 506,835	70%
Total EARMARKED FUND:		5,607,845	2,879,566	51%	\$ 2,777,479	50%

South Carolina Workers' Compensation Commission
Commitments
FY 2024 As of 2/29/2024

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Vendor	Commitment
5020077100	SERVICES- APP SUP	PROGRESS SOFTWARE CORP	13,725
5020077220	SERVICES- VOICENET	NWN CORPORATION	29,954
5021540001	PROF SRV-LANG INTER	GLOBAL INTERPRETING NETWORK INC	392
5030010004	SUBSCRIPTIONS	WEST PUBLISHING CORPORATION	7,250
5030067101	PRGM LIC - APP SUPP	INSURANCE SERVICES OFFICE INC	35,640
5030067101	PRGM LIC - APP SUPP	WEST PUBLISHING CORPORATION	23,187
5033090000	EMPLOYEE RECOG AWARD	SPORTS TROPHIES	19
5040060000	ST RENT-NON ST BLDG	GALIUM 1333 MAIN LLC	6,087
5040490009	RENT PARKING	REPUBLIC PARKING SYSTEM INC	3,314
5041020000	FEES AND FINES	REPUBLIC PARKING SYSTEM INC	20
5041840000	LEASE BLDG PRINCIPAL	GALIUM 1333 MAIN LLC	141,691
Total Administration:			261,278

General counsel

Commitment Item	Commitment Item Description	Vendor	Commitment
5020080000	FREIGHT EXPRESS DELV	MATTHEW BENDER & CO INC	899
5032820000	INSTRUCTIONAL MAT	MATTHEW BENDER & CO INC	12,134
Total General counsel:			13,033

Inform. services

Commitment Item	Commitment Item Description	Vendor	Commitment
5020050000	PHOTO & VISUAL SVCS	SUMMIT SOLUTIONZ INC	235
5020077100	SERVICES- APP SUP	INSURANCE SERVICES OFFICE INC	62,640
5020077100	SERVICES- APP SUP	PROGRESS SOFTWARE CORP	9,477
5020077220	SERVICES- VOICENET	NWN CORPORATION	16,946
5021540000	NON-IT OTHER PRO SRV	PROGRESS SOFTWARE CORP	70,638
5030050000	PHOTO & VISUAL SUPP	SUMMIT SOLUTIONZ INC	2,975
5030067130	EQUIP&SUPP- EUC	DELL MARKETING LP	10,800
5030067170	EQUIP&SUPP- PRINT EU	US INK AND TONER INC	3,660

Any items with vendor "Not assigned" are pending financial adjustments. Any commitment on the Budget vs. Actual Report that is missing from this list is a travel commitment.

**South Carolina Workers' Compensation Commission
Commitments
FY 2024 As of 2/29/2024**

Fund 38440000 - EARMARKED FUND

5060322000	TV/Radio Eq Acq (MA)	SUMMIT SOLUTIONZ INC	8,646
Total Inform. services:			186,016

Total EARMARKED FUND:			480,275
------------------------------	--	--	----------------

Any items with vendor "Not assigned" are pending financial adjustments. Any commitment on the Budget vs. Actual Report that is missing from this list is a travel commitment.

**South Carolina Workers' Compensation Commission
Earmarked Fund Balance Sheet
FY 2024 As of 2/29/2024**

	Budget	YTD	% of Budget
Total Revenues	3,157,092	1,873,573	59%
Self Insurance Tax Receipts YTD Actual	2,500,000	2,699,662	108%
Total Revenues	5,657,092	4,573,235	81%
Total Expenditures	5,607,845	2,879,547	51%
Commitments		480,275	
Net Income/(Loss)		<u>1,213,413</u>	

South Carolina Workers' Compensation Commission
Earmarked Fund Revenues
FY 2024 As of 2/29/2024
67% of year elapsed

Account	Acct No.	Budget	YTD Actual Revenue	% of Budget
WORKERS COMPENSATION SELF INSURANC	4080100000			
WORKERS' COMPENSATION HEARING FEE	4110090000	1,091,322	739,831	68%
WORKERS COMP SELF INSURANCE APPLIC/	4160040000	7,350	175	2%
WORKERS COMPENSATION FILING VIOLATIC	4223030000	1,985,476	1,072,630	54%
PARKING FEE	4350040000	12,790	3,850	30%
WORKERS COMPENSATION AWARD REVIEW	4350140000	32,251	9,150	28%
PHOTOCOPYING FEE	4380050000	25,300	19,588	77%
SALE OF LISTINGS & LABELS	4480060000	2,603	900	35%
REFUND PRIOR YR EXPENDITURE	4520010000		18,000	
REFUND OF PRIOR YEAR EXPENDITURES TF	4520010025		750	
RETURNED CHECKS	4530010000			
ADJUSTMENT TO AGENCY DEPOSITS	4530020000		(650)	
MISCELLANEOUS REVENUE	4530030000			
Total Revenues		3,157,092	1,864,223	59%
Self Insurance Tax		2,500,000	2,699,662	108%
Total		5,657,092	4,563,885	81%

**South Carolina Workers' Compensation Commission
Earmarked Fund Financial Projections
FY 2024 As of 2/29/2024**

<u>Expenditures</u>	
YTD Actual Expenditures	2,879,547
YTD Monthly Average Expenditures	359,943
Annualized Monthly Average Expenditures	4,319,320
Commitments	480,275
Total Projected Expenditures	4,799,595

<u>Revenues</u>	
YTD Actual Revenue	1,873,573
YTD Monthly Average Revenue	234,197
Total Projected Revenues	2,810,360

Projected Operating Surplus (Deficit)	<u>(1,989,235)</u>
--	---------------------------

<u>Self Insurance Tax Revenues</u>	
Self Insurance Tax Receipts YTD Actual	2,699,662
Self Insurance Tax Receipts Monthly Average	337,458
Self Insurance Tax Receipts Projection	4,049,492
Self Insurance Tax Receipts Net (50%)	2,024,746

Projected Surplus (Deficit)	<u>35,511</u>
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South Carolina Workers' Compensation Commission
 Estimated Revenue vs Actual Revenue
 FY 2024 As of 2/29/2024

Fund	Cash Rev/Exp Acct		Original Budget	Budget Adjustments	Current Budget	MTD Revenue	Revenue □ Over/(Under)	YTD Actual Revenue
28370000	4160040000	W COMP SF INS APPL				9,350.00	9,350.00	9,350.00
38440000	4080100000	WRK CP SELF INS TX				0.00	0.00	0.00
38440000	4110090000	WRK COMP HRING FEE	1,091,322.00		1,091,322.00	739,830.78	(351,491.22)	739,830.78
38440000	4160040000	W COMP SF INS APPL	7,350.00		7,350.00	175.00	(7,175.00)	175.00
38440000	4223030000	W COMP FL VIOL PNLTY	1,985,476.00		1,985,476.00	1,072,630.06	(912,845.94)	1,072,630.06
38440000	4350040000	PARKING FEE	12,790.00		12,790.00	3,850.00	(8,940.00)	3,850.00
38440000	4350140000	W/C AWD REVIEW FEE	32,251.00		32,251.00	9,150.00	(23,101.00)	9,150.00
38440000	4380050000	PHOTOCOPYING FEE	25,300.00		25,300.00	19,587.50	(5,712.50)	19,587.50
38440000	4480060000	SL OF LISTING & LBL	2,603.00		2,603.00	900.00	(1,703.00)	900.00
38440000	4520010000	REFUND PYR EXP				18,000.00	18,000.00	18,000.00
38440000	4520010025	REF PR YR EXP TRAV				750.00	750.00	750.00
38440000	4530010000	RETURNED CHECKS				0.00	0.00	0.00
38440000	4530020000	ADJ TO AGNCY DEPOSIT				(650.00)	(650.00)	(650.00)
38440000	4530030000	MISC REVENUE				0.00	0.00	0.00
		Sum:	3,157,092.00		3,157,092.00	1,873,573.34	(1,283,518.66)	1,873,573.34

TAB 5

State of South Carolina

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: Kris Pluss, IT Director
Date: March 06, 2023
Subject: IT Department February 2024 Full Commission Report

This report summarizes the activities and accomplishments for projects and initiatives in the IT Department during February 2024.

I. Systems Operations, Maintenance and Support

EDI

WCC IT approved the electronic Trading Partner Registration Form.

Security

Four Phishing emails were reported to the WCC IT Team during February.

Reporting

514 Service Desk tickets were received by WCC IT during February 2024.
492 Tickets were assigned a priority of Low.
18 Tickets were assigned a priority of Medium.
4 Tickets were assigned a priority of High.
0 Tickets were assigned a priority of Urgent.
394 Tickets were related to ePay / eFile Training.

II. Projects, Enhancements and Development

Legacy Modernization

SC.Gov – Filing of Forms

WCC IT added the live eFile links to the Workers' Compensation Commission's agency website to allow all external stakeholders to eFile and ePay.

WCC IT facilitated two Zoom eFile / ePay Training Sessions that have over 300 unique attendees. A third eFile / ePay Training Session was held on March 6, 2024 and a fourth Training Session was added and will be held on March 14, 2024.

Over 270 ePay transactions with a fee were submitted in February.

TAB 6

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 8-Mar-24

Subj: Insurance and Medical Services Department
February 2024 Full Commission Report

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

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

- | | |
|---------------------|--|
| Compliance Division | <ol style="list-style-type: none">1. Reviewing revenue metrics / projections.2. Working with staff to review workflow processes and additional training opportunities.3. Continuing to explore outreach opportunities with stakeholders. |
| Coverage Division | <ol style="list-style-type: none">1. Working with staff to review workflow processes and explore opportunities to enhance service provision.2. Lapse in Coverage (Progress): 103 new registrants; 0 notifications sent. |
| Medical Services | <ol style="list-style-type: none">1. Completed work with FAIR Health regarding the 2024 MSPM update. |

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

Employer Rule to Show Cause Hearings and Compliance Activity

The Compliance Division docketed 0 new RTSC cases and 0 total RTSC cases in the month of February. And, compelled 56 South Carolina employers to come into compliance with the Act. Year to date, 5 new RTSC cases and 10 total RTSC cases have been docketed.

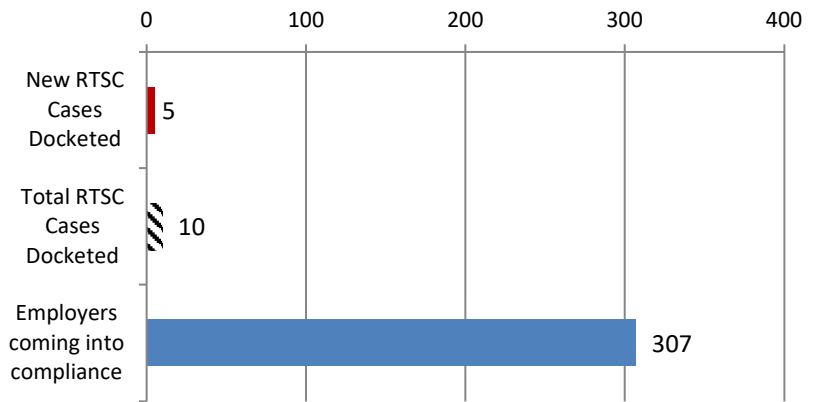
Employers Obtaining Coverage

Year to date, the Compliance Division has compelled 307 South Carolina employers to come into compliance with the Act. In so doing, approximately 2,118 previously uninsured workers are now properly covered.

Penalties Waived

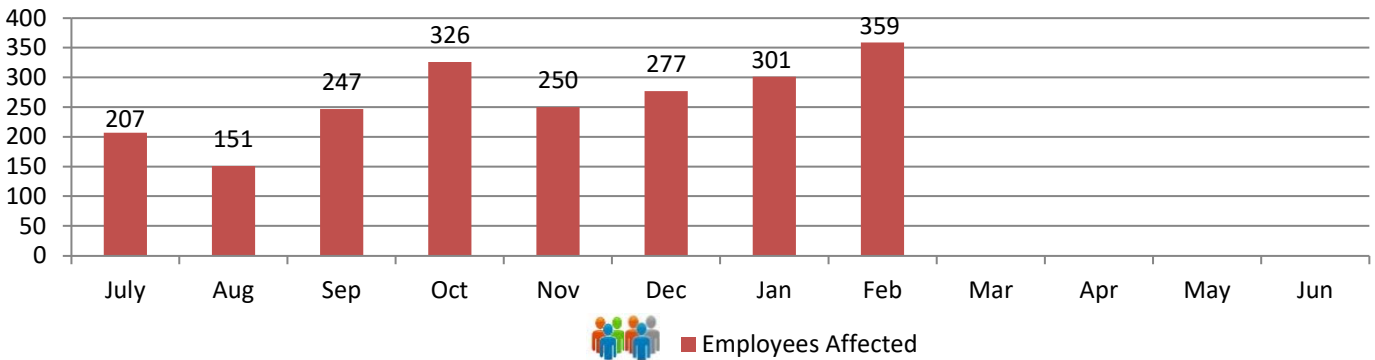
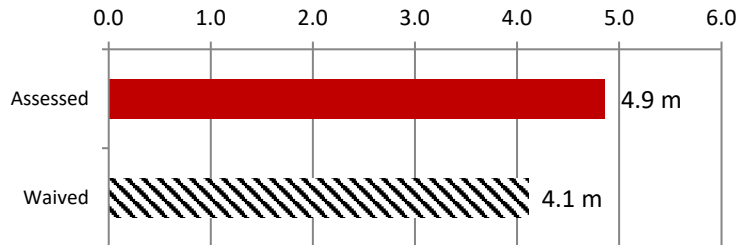
Although the Division has assessed \$4.9 m in fines this fiscal year, \$4.1 m have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.

RTSC and Compliance Activity



Fines and Penalties

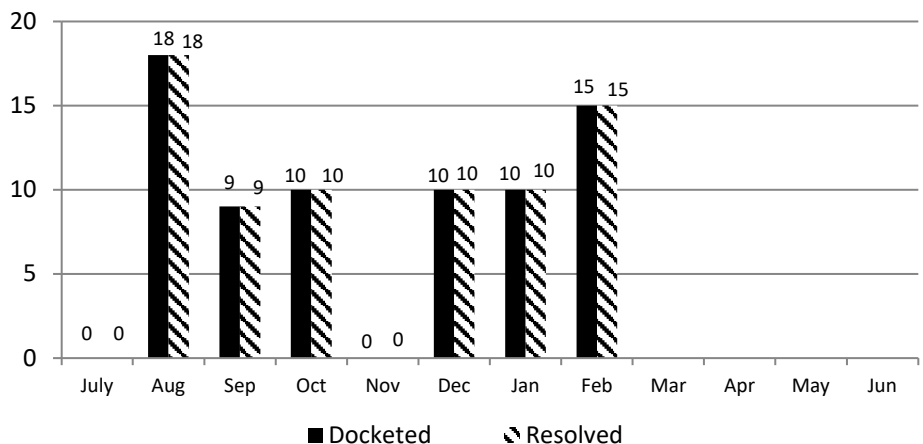
Millions



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 February 2024, 15 carrier RTSC cases were docketed; 15 cases were resolved for a total of \$14,000.

Year to date, a total of 72 carrier RTSC cases have been docketed, 72 cases for a total of \$78,139 have been resolved.

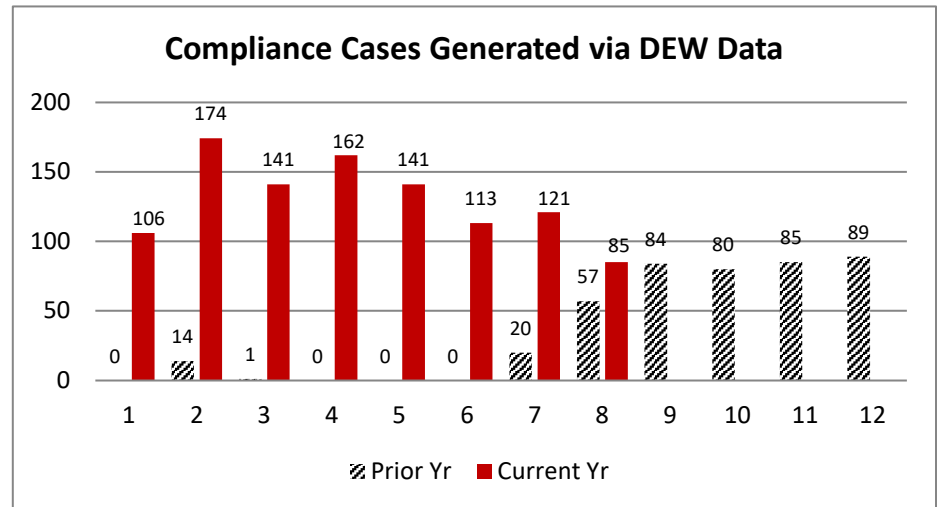
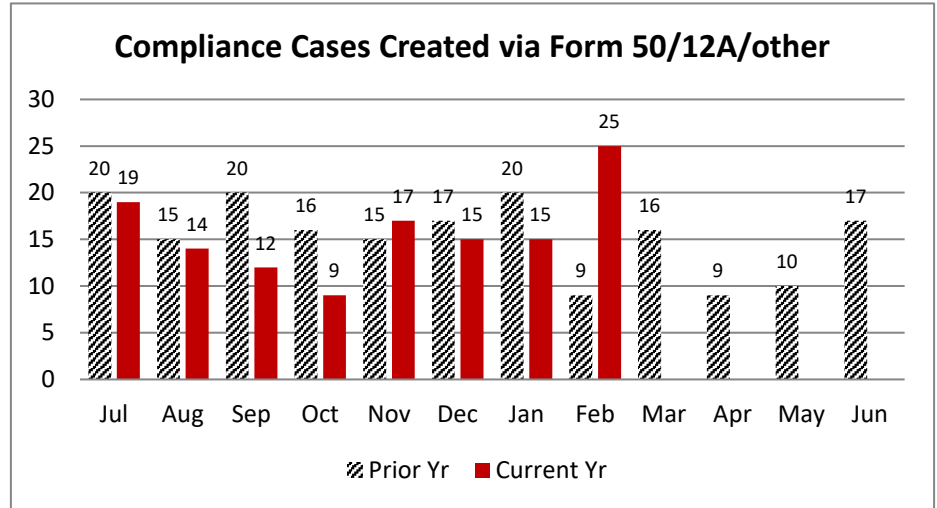


In February 2024, 25 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

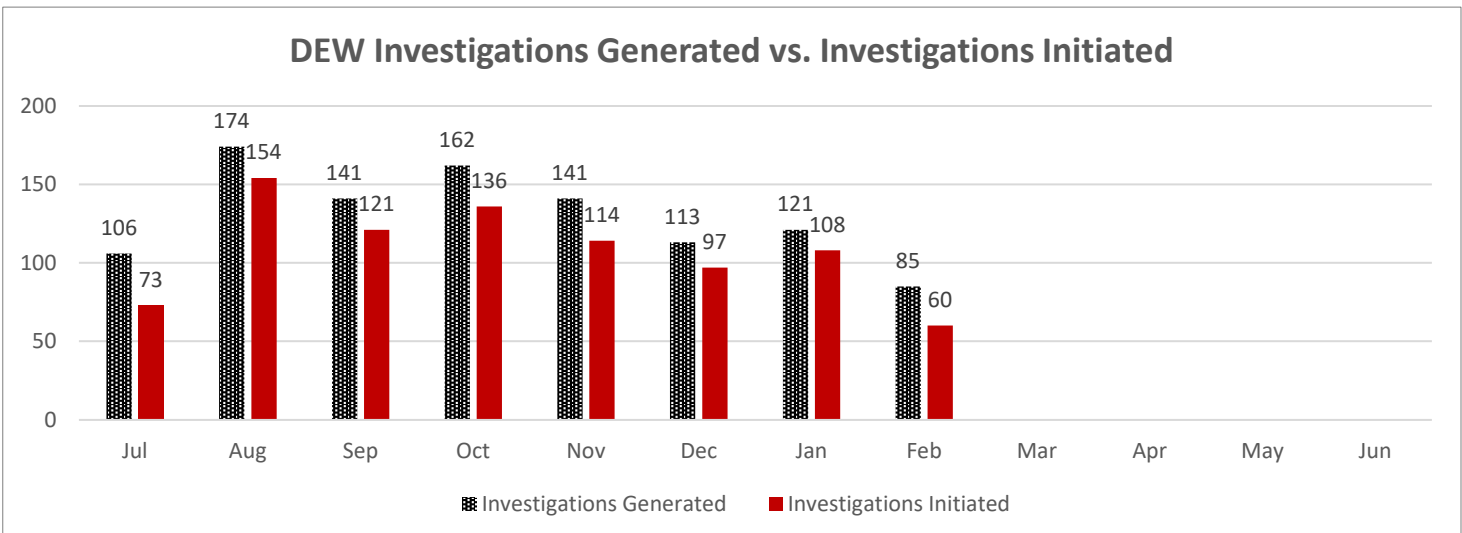
YTD vs. Prior Year total (184): 68%
 Feb 2023 to Feb 2024: 278%
 Current Yr End trend: 103% of 2022-2023
 YTD 2023-2024 v. YTD 2022-2023: 95%

In February 2024, 85 compliance files were generated from the DEW data process.

YTD vs. Prior Year total (430): 243%
 Feb 2023 to Feb 2024: 149%
 Current Yr End trend: 364% of 2022-2023
 YTD 2023-2024 v. YTD 2022-2023: 1134%



The DEW Data Pool is determined by the total number of potential, non-compliant employers who report wages to DEW with at least 4 employees and who's FEIN does not match with any coverage records in the Commission's coverage database. The investigations generated is the number of compliance investigations generated from the pool. The investigations initiated is the number of compliance investigations initiated from those that were generated.



Carryover Caseload:

The Compliance Division closed February 2024 with 280 cases active, compared to an active caseload of 185 at the close of February 2023.

Cases Resolved:

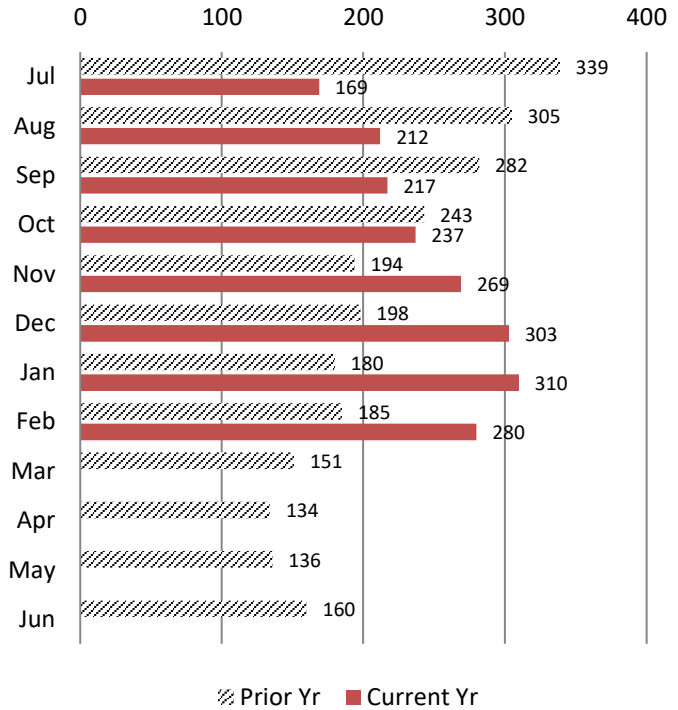
For the month of February 2024, Compliance Division staff closed-out 144 cases.

Compliance Fines:

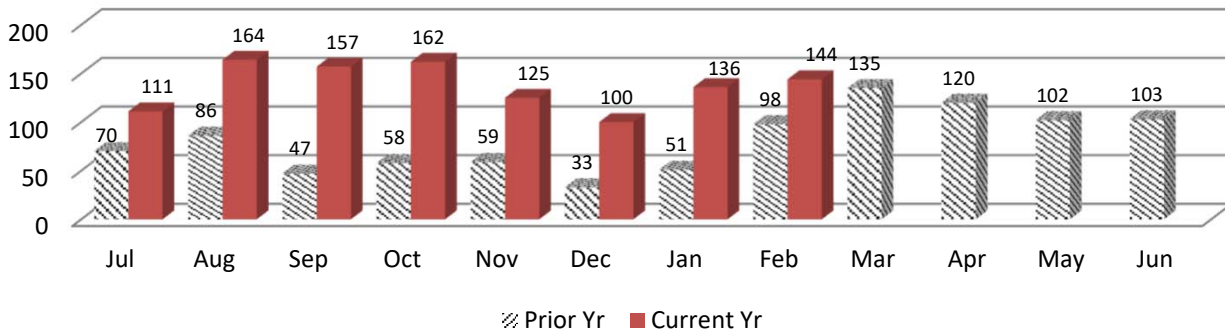
In February 2024, the Compliance Division collected \$90,668 in fines and penalties. Year to Date, the Compliance Division has collected \$584,830 in fines and penalties.

Year to Date vs Prior Year Total (\$483,063): 121%
 Feb 2023 vs. Feb 2024: 288%
 Current Year End trend is 182% of 2022-2023
 YTD 2022-23 (Feb - June) vs YTD 2023-2024: 237%

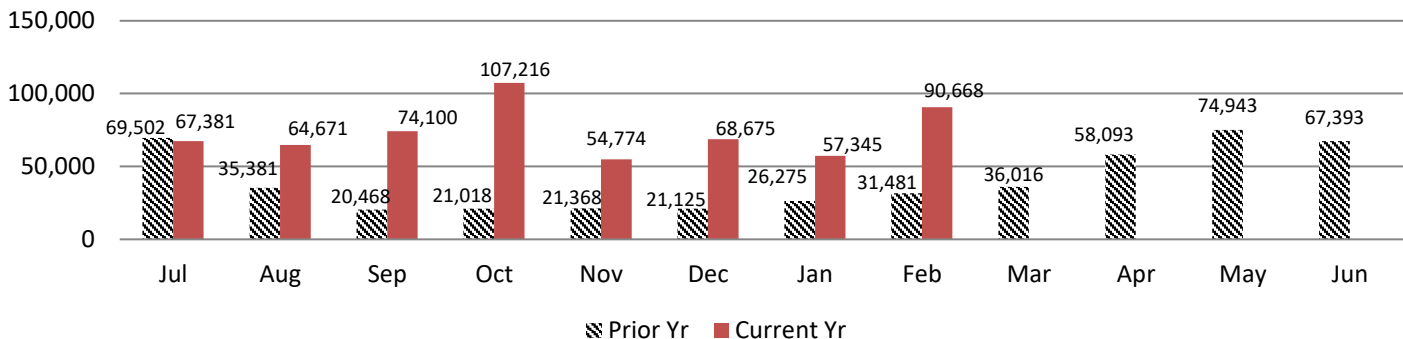
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year

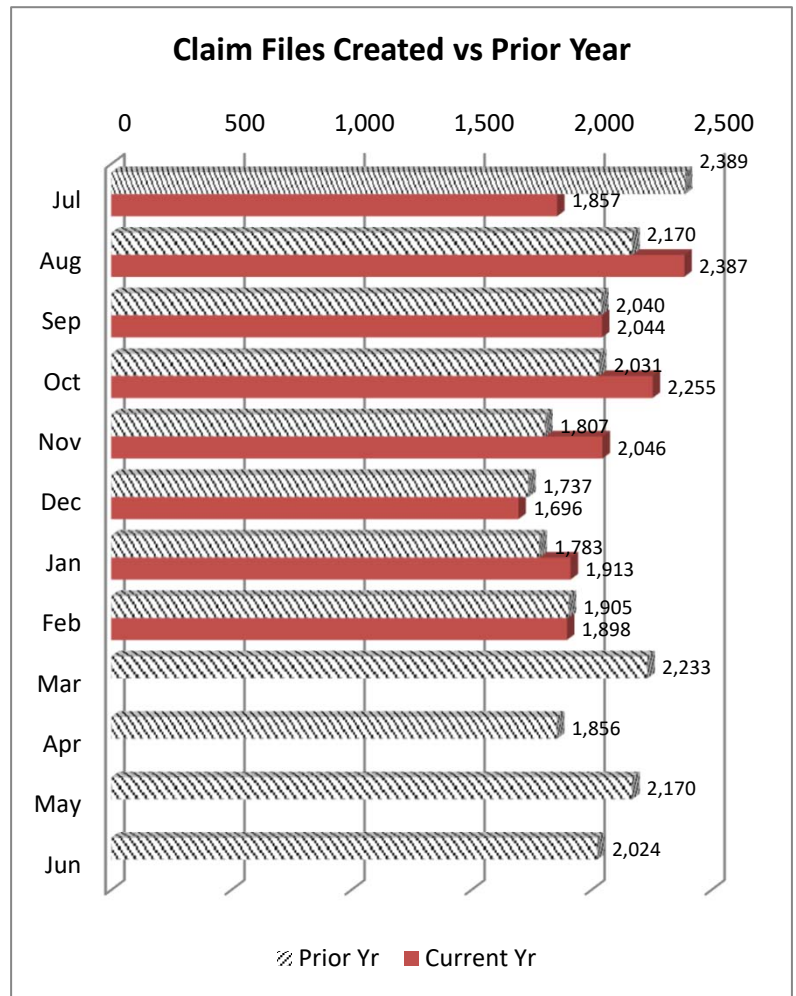


WCC Claim Files:

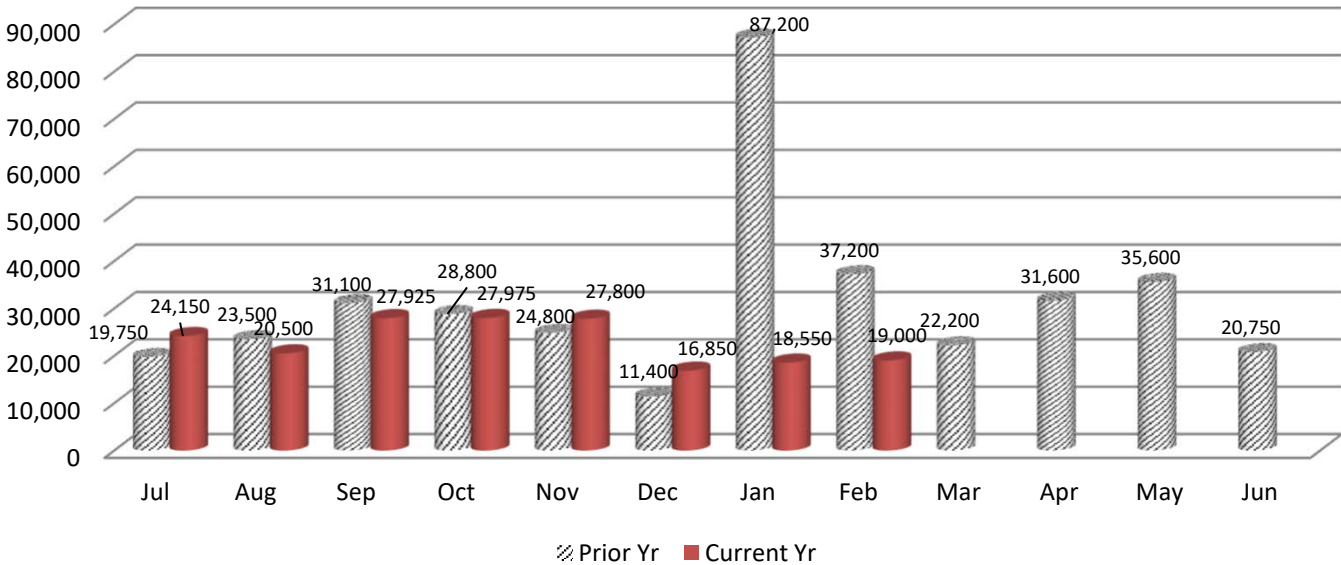
In February 2024, the Coverage Division received a total of 1,898 WCC Claim files. Of these, 1,587 were created through proper carrier filing of a 12A, and 311 were generated as a result of a Form 50 claim filing. Year to Date 16,096 Claim files have been created which is 67% of claim file volume prior year (24,145).

Coverage Fines:

The Coverage Division collected \$19,000 in fine revenue in February 2024, as compared to \$37,200 in Coverage fines/penalties accrued during February 2023. Year on Year, Coverage fines are at 49% of collections for prior year.



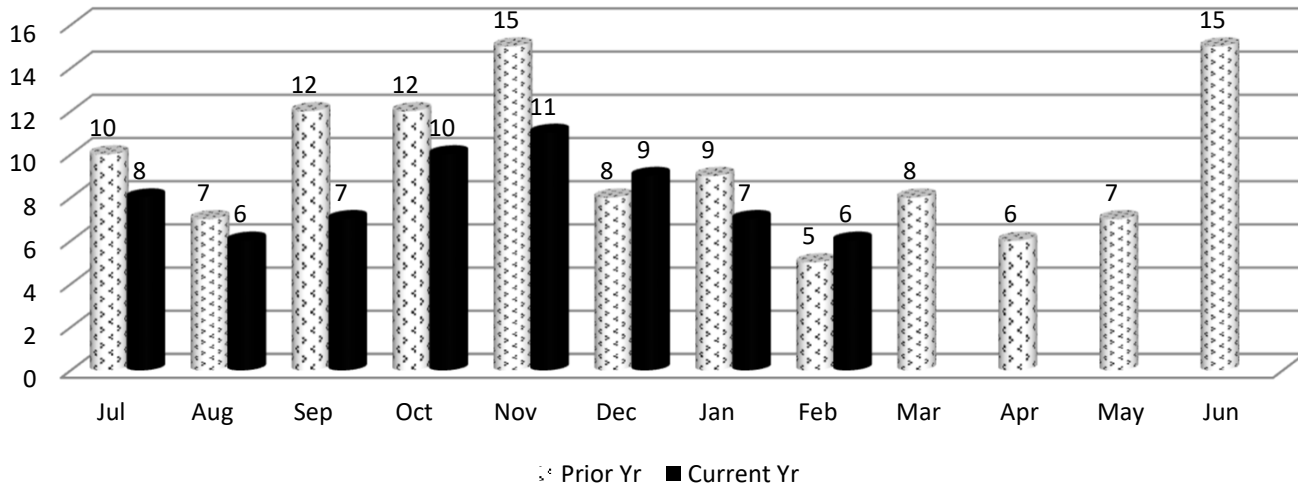
Coverage Fines Collected v Prior Year



IMS MEDICAL SERVICES DIVISION

In February 2024, the Medical Services Division began the month with 7 bills pending review, received an additional 8 bills for review, conducted 9 bill reviews and ended the month with 6 bills pending.

Medical Bills Pending Review v. Prior Year



TAB 7

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 **MEMORANDUM**

To: Gary Cannon, Executive Director

From: Sonji Spann, Claims Director

Date: March 11, 2024

Re: Claims Department March 2024 Full Commission Report

Attached is the Statistical Report for the Claims Department for the period July 1, 2023-February 29, 2024, for the Business Meeting on March 11, 2024.

Claims activities are in Column (a) with the totals for the period ending February 2024 in column (o). Column (q) reflects the percentage change when comparing the totals for same period in the current fiscal year with the totals for the same period in last fiscal year. The total Claims Activities, for this period have increase 3% when compared to the same period from last fiscal year.

The number of cases Reviewed shows a 17% increase; cases Closed increased 6% the Fines Assessed reflects a 3% decrease; and the Total Fines Paid were 28% less than the amount paid during the same period last year.

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

Claims Department Statistical Report
FY2023-2024
July 1, 2023 - June 30, 2024

Claims Activities	July	August	Sept	Oct	Nov	Dec	Jan	Feb	FY23-24 Total	FY22-23 Total	% Diff from prev year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(o)	(p)	(q)
Forms 15-I	927	1,174	1,020	1,194	1,068	968	1,081	1,104	8,536	8,674	-2%
Forms 15-II/Forms 17	670	742	687	732	692	630	791	730	5,674	7,324	-23%
Forms 16 for PP/Disf	43	39	55	60	52	48	44	60	401	1,596	-75%
Forms 18	4,716	5,293	4,979	5,183	5,031	4,590	5,683	5,127	40,602	39,572	3%
Forms 20	514	624	503	578	543	439	574	570	4,345	4,573	-5%
Form 50 Claims Only	267	309	263	4	-	-	-	-	-	-	0%
Form 61	628	756	670	772	700	644	782	816	5,768	5,433	6%
Letters of Rep	123	178	119	2	-	-	-	-	-	-	0%
Clinchers	601	679	613	748	643	605	685	719	5,293	6,435	-18%
Third Party Settlements	17	21	22	28	24	9	28	22	171	177	-3%
SSA Requests for Info	44	39	36	46	33	33	40	32	165	254	-35%
Cases Closed	1,927	2,270	2,132	2,314	1,984	1,898	2,488	2,301	17,314	16,372	6%
Cases Reviewed	1,947	2,479	3,407	4,430	3,340	2,919	3,952	3,375	25,849	22,171	17%
Total	12,424	14,603	14,506	16,091	14,110	12,783	16,148	14,856	115,521	112,581	3%
									-		
Total Fines Assessed	241	444	290	291	252	270	358	244	2,390	2,461	-3%
Form 18 Fines	230	414	230	212	218	229	291	232	2,056	2,161	-5%
Total Amt Paid	\$33,200	\$33,400	\$30,050	\$45,000	\$40,000	\$36,250	\$52,800	\$44,800	\$ 315,500	\$ 439,800	-28%

TAB 8

State of South Carolina

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Columbia, S.C. 29202-1715



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Workers' Compensation Commission

March 5, 2024

To: Gary Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

RE: Monthly Judicial Report for February 2024

During the month of February, the Judicial Department processed three hundred fourteen (314) claim only 50s, and nine hundred thirty-seven (937) requests for hearings (claimant and defense pleadings). Comparing the numbers from the same period last year, claimant hearing requests experienced a 9% increase and defense pleadings experienced an 8% increase. The department received one hundred twenty (120) Motions, a 3% decrease compared to the same period last year and one hundred fifty-seven (157) clincher conference requests, a 4% increase compared to the same time last year.

There were fifty-six (56) Single Commissioner Hearings conducted during the past month, sixteen (16) pre-hearing conferences held, and two (2) Full Commission hearings held. A total of four hundred ninety-five (495) Orders (Single Commissioner Orders, Consent Orders and Administrative Orders) were served at the single Commissioner level, forty-nine (49) of those were Decision and Orders that resulted from hearings that went on the record and one hundred twenty-nine (129) were Motion Orders that were a result of Motions ruled upon by Commissioners.

There were one hundred seventy (170) Informal Conferences requested during February and one hundred eighty-seven (187) were conducted.

There were thirty (30) regulatory mediations scheduled and sixty-three (63) requested mediations. Totals are up 2% and 17% in the respective categories for the same period last year. The Judicial Department was notified of forty-nine (49) matters resolved in mediation, with the receipt of Forms 70. This category's total is up 10% compared to this period last year. This does not include mediations that take place outside of what is reported to the Commission.

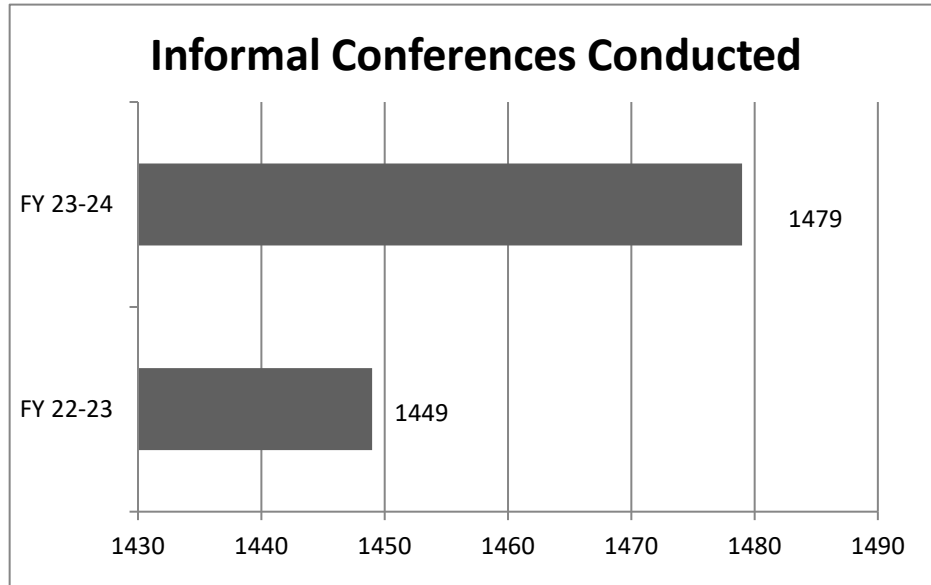
In the month of February, Judicial received zero (0) Notice of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

**Judicial Department Statistical Report
Statistics For Fiscal Year 2023-2024**

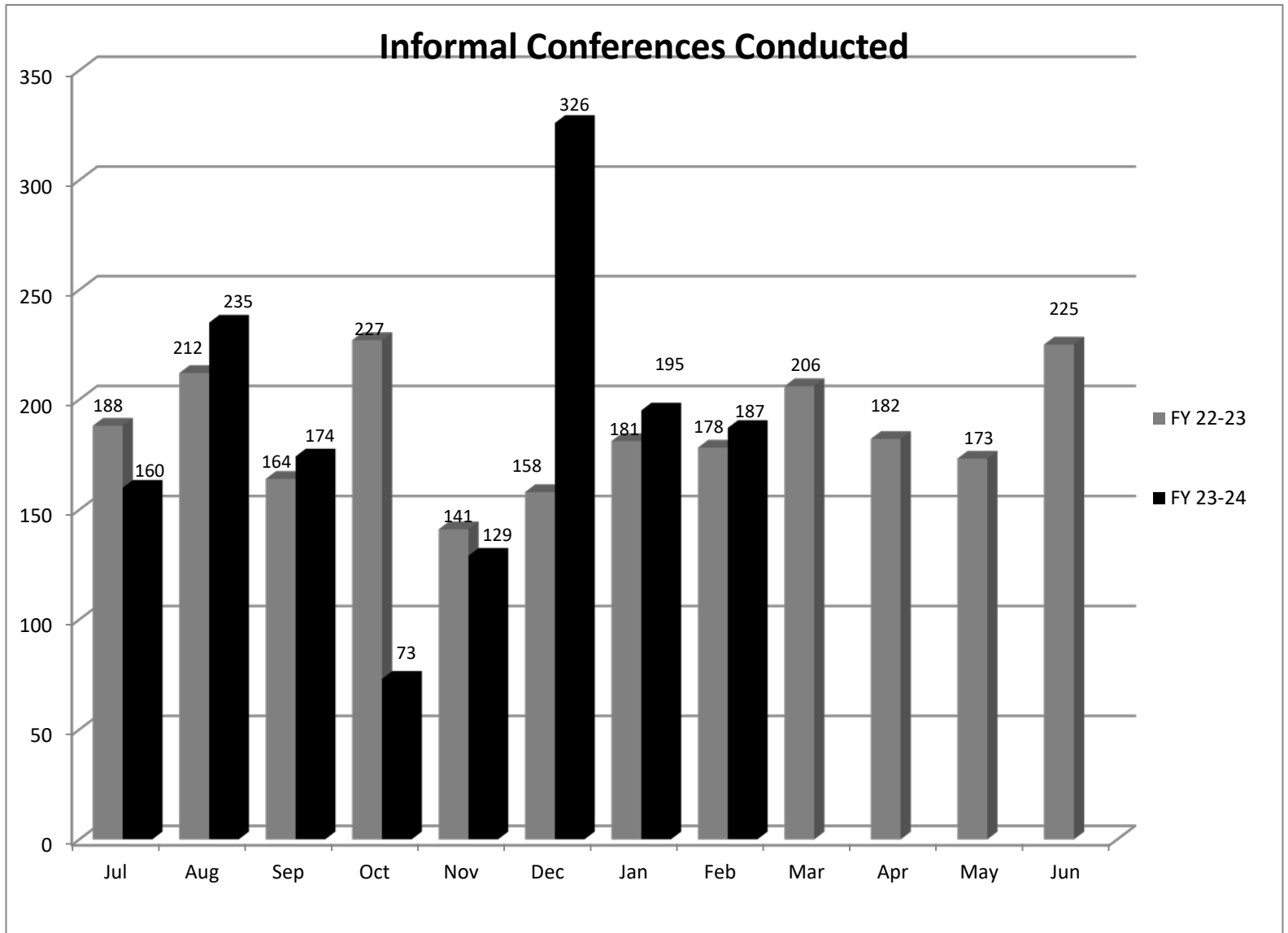
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Totals YTD 2023-2024	Totals YTD 2022-2023	% Diff from prev year
Claimant Pleadings	516	702	619	636	529	489	591	638	4,720	4330	9%
Defense Response to Pleadings	432	556	569	500	558	393	468	461	3,937	3153	25%
Defense Pleadings	261	289	256	299	203	231	294	299	2,132	1971	8%
Form 50 - Claim Only (Oct. Begins Judicial #s)	267	309	263	302	221	255	242	314	2,173		
Letters of Representation				128	88	66	72	84	438		
Motions	90	90	105	133	101	88	117	120	844	871	-3%
Form 30	8	7	10	9	11	9	7	16	77	65	18%
FC Hearings Held	3	8	9	3	8	3	7	2	43	53	-19%
FC Orders Served	6	9	2	5	1	3	4	3	33	79	-58%
Single Comm. Hearings Held	46	66	56	48	54	67	33	56	426	396	8%
Single Comm. Orders Served	136	195	178	208	134	123	211	183	1,368	1516	-10%
Single Comm. Pre-Hearing Conf Held	4	15	16	21	2	29	5	16	108	126	-14%
Consent Orders	239	286	284	299	298	270	364	301	2,341	2348	0%
Administrative Orders	3	10	9	11	9	6	9	11	68	100	-32%
Clincher Conference Requested	127	142	138	157	126	124	154	157	1,125	1077	4%
Informal Conference Requested	219	233	263	251	117	302	258	170	1,813	1871	-3%
Informal Conference Conducted	160	235	174	73	129	326	195	187	1,479	1449	2%
Regulatory Mediations	37	36	34	25	30	30	27	30	249	244	2%
Requested Mediations	60	83	45	64	64	47	93	63	519	445	17%
Ordered Mediations	1	2	0	1	0	0	0	0	4	4	0%
Mediation Resolved	33	77	48	46	61	31	70	49	415	376	10%
Mediation Impasse	7	32	10	12	16	8	22	12	119	103	16%
Mediation Held; Issues Pending	1	5	0	0	1	0	1	2	10	3	233%
Claim Settled Prior to Mediation	5	10	10	13	9	16	36	10	109	74	47%
Mediation Not Complete in 60 days	0	0	5	2	0	3	5	2	17	16	6%

Informal Conf. Conducted

	FY 22-23	FY 23-24
Jul	188	160
Aug	212	235
Sep	164	174
Oct	227	73
Nov	141	129
Dec	158	326
Jan	181	195
Feb	178	187
Mar	206	
Apr	182	
May	173	
Jun	225	
Total	2235	1479



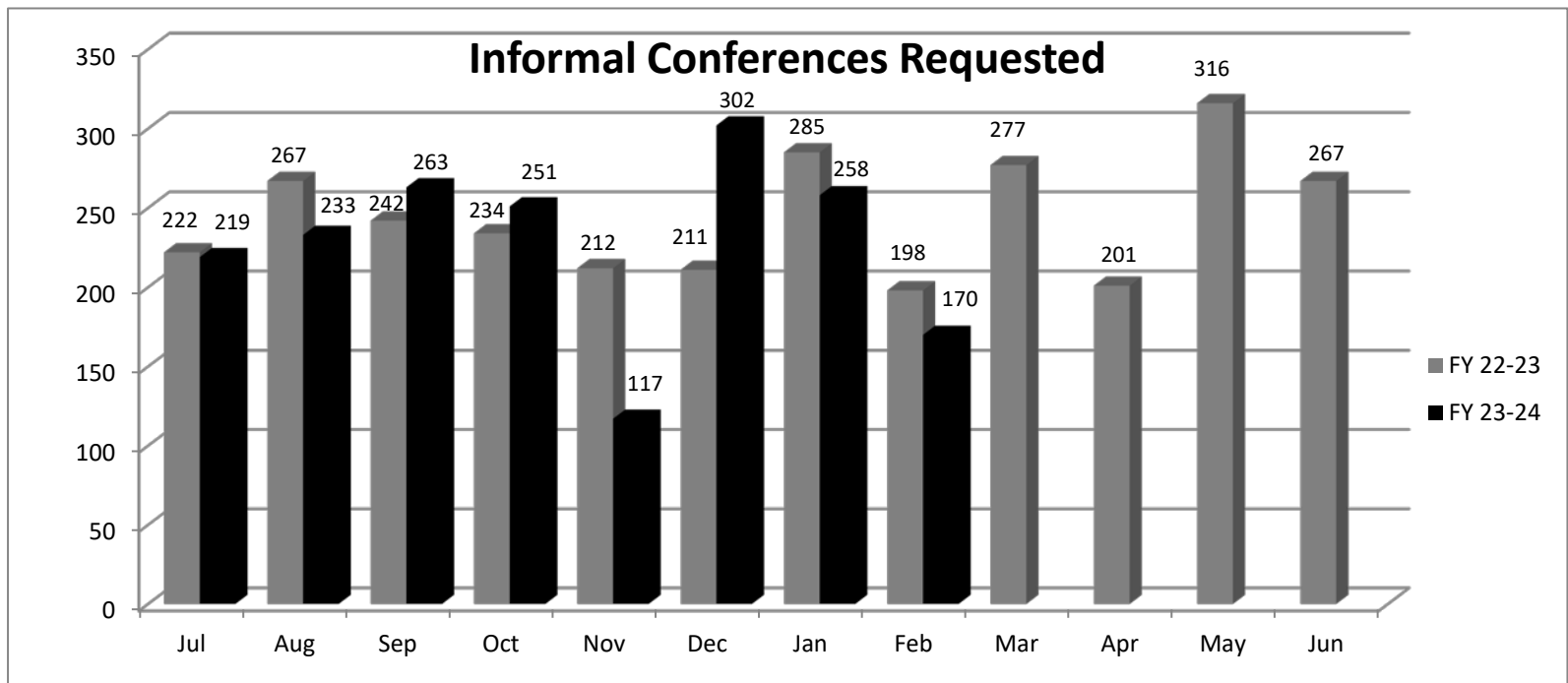
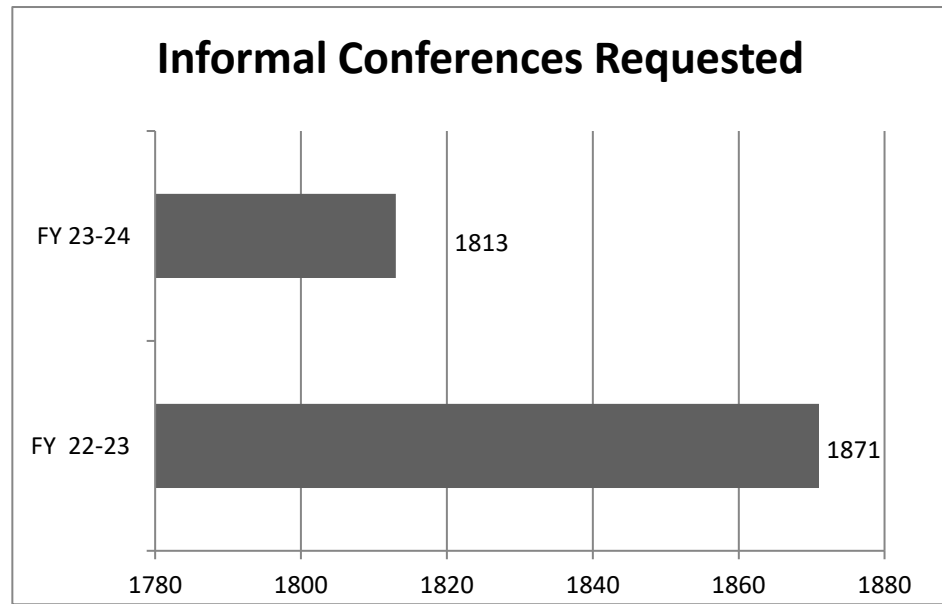
	FY 22-23	FY 23-24
Y-T-D	1449	1479



Informal Conf. Requested

	FY 22-23	FY 23-24
Jul	222	219
Aug	267	233
Sep	242	263
Oct	234	251
Nov	212	117
Dec	211	302
Jan	285	258
Feb	198	170
Mar	277	
Apr	201	
May	316	
Jun	267	
Total	2932	1813

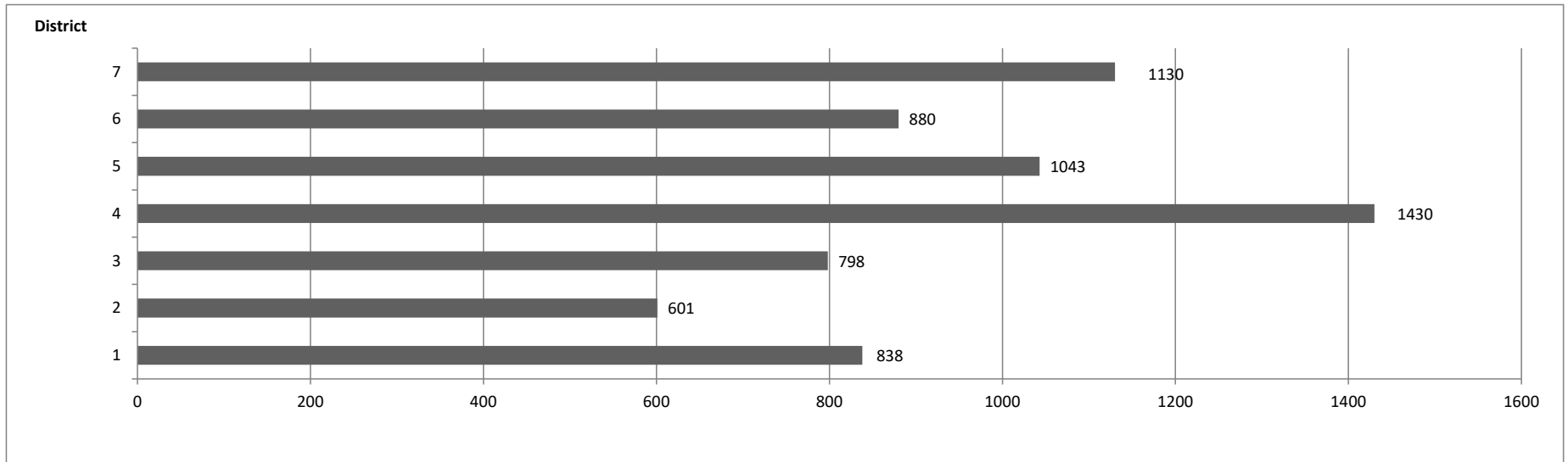
	FY 22-23	FY 23-24
Y-T-D	1871	1813



Pleadings Assigned - Three Year Comparison by Month

	District 1			District 2			District 3			District 4			District 5			District 6			District 7		
	Greenville			Anderson			Orangeburg			Charleston			Florence			Spartanburg			Richland		
	23-24	22-23	21-22	23-24	22-23	21-22	23-24	22-23	21-22	23-24	22-23	21-22	23-24	22-23	21-22	23-24	22-23	21-22	23-24	22-23	21-22
Jul	93	105	112	64	81	87	80	112	72	150	150	166	106	111	109	100	135	122	131	142	156
Aug	112	105	93	85	70	67	115	86	101	189	172	174	145	118	112	118	124	101	150	155	134
Sep	110	93	109	83	68	77	113	98	96	234	144	158	160	121	143	111	104	112	148	135	143
Oct	96	78	89	68	59	73	107	97	103	181	140	152	149	114	110	114	96	95	142	126	130
Nov	106	90	96	79	77	66	111	106	95	190	180	144	139	135	112	113	137	84	173	164	116
Dec	105	91	104	80	74	80	99	108	100	142	166	156	99	136	123	93	113	108	107	117	131
Jan	102	74	85	73	74	54	79	90	84	174	172	167	117	126	129	114	97	91	147	130	118
Feb	114	78	93	69	69	75	94	90	87	170	144	170	128	102	105	117	88	108	132	122	145
Mar		96	108		69	87		124	84		174	186		133	149		139	130		158	166
Apr		82	106		82	75		78	82		158	181		138	120		113	127		146	164
May		70	82		64	69		92	81		156	149		126	130		114	103		148	136
Jun		118	122		76	74		118	100		235	161		131	152		119	111		185	147
Totals	838	1080	1199	601	863	884	798	1199	1085	1430	1991	1964	1043	1491	1494	880	1379	1292	1130	1728	1686

Pleadings Assigned by District Year to Date



TAB 9



Referral Date

7/1/2023

2/29/2024

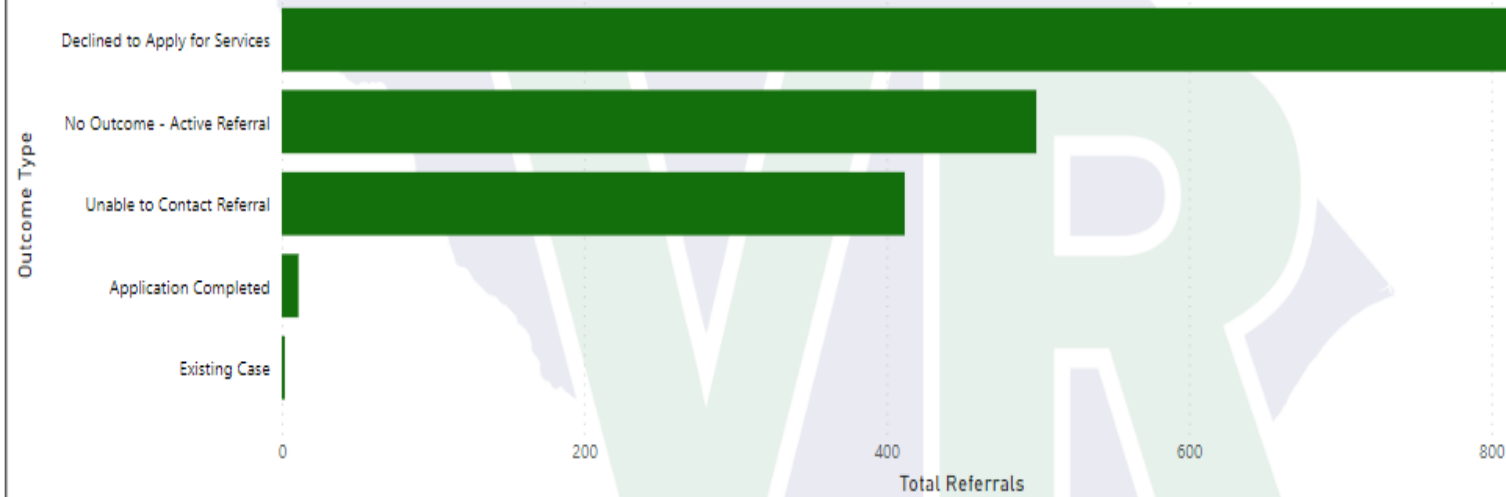
Area Office

All

Referring Organization

SC Workers Compensation

Total Referrals by Outcome Type



Referral Summary

Outcome Type	Total Referrals
Application Completed	11
Declined to Apply for Services	817
Existing Case	2
No Outcome - Active Referral	499
Unable to Contact Referral	412
Total	1741

TAB 10

State of South Carolina



Workers' Compensation Commission

Executive Director's Report

March 11, 2024

Meetings and Other Activities

During the month of February, the Executive Director attended the SCWCEA Medical Conference; met with staff of the Department of Administration and State Treasurer's Office; met with the chairman of the Ad Hoc Advisory Committee; had telephone calls and exchanged emails with members of the Ad Hoc Advisory Committee; met with one vendor; met with students from Presbyterian College to discuss workers' compensation for their class project; participated in four interviews; six meetings with staff; three meetings with the legal team; and had several telephone calls and emails with the HLOC staff.

Constituent /Public Information Services

For the month of February, the Executive Director's and the General Counsel's offices had twenty-five 190 contacts concerning external stakeholders.

Financial Transactions Activity

During the month of February, the Director's office processed and approved eight (5) travel expense reports, sixty (60) invoices, twenty (20) deposits for DOA to process in the SCEIS system and four (4) Purchase Orders.

SCWCC Stakeholder Electronic Distribution List

For the month of February, the Office had twenty-five (25) deletions and two (2) additions to the email distribution list due to duplicates of inactive email accounts.

Advisory Notices

During the month of February, the office posted four (4) notices on the Commission's website and emailed them to the distribution list.

TAB 11

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

MEMORANDUM

TO: COMMISSIONERS

FROM: Gary M Cannon

DATE: March 11, 2024

RE: 2024 Medical Services Provider Manual (MSPM)

Attached is the information regarding the 2024 Medical Services Provider Manual, which was published for the Public Hearing held at the Business Meeting on February 12, 2024. There were no public comments offered at the public hearing.

It is requested the Commissioners take the following action at the March 11 Business Meeting:

Approve the Conversion Factor for 2024 and the proposed policy changes to the MSPM with an effective date of April 1, 2024.

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

MEMORANDUM

To: Commissioners

From: Gary Cannon, Executive Director

Date: February 12, 2024

Re: Public Hearing - 2024 Medical Services Provider Manual (MSPM)

Attached please find the proposed changes/updates to the Medical Services Provider Manual (MSPM) for 2024.

The hearing to receive public comment on the proposed changes is scheduled for the Business Meeting February 12, 2024.

Members of the FairHealth team will review the proposed changes for the Commissioners and public prior to the public hearing.

Fee Schedule Analysis

January 5, 2024

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 (2022 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 2024 fee schedule.

FAIR Health received paid amounts from NCCI for the 2022 calendar year, aggregated at the procedure code/modifier level. FAIR Health used the data to:

1. Compare 2022 actual spending to projected amounts based on 2022 fee schedule MAPS.
2. Project spending for 2023.
3. Project spending for 2024 based on multiple conversion factor alternatives.

2022 Paid Data and Frequencies

The following is a summary of the 2022 data received from NCCI:

NCCI Data – 2022 Calendar Year (Before Validation)

Service Type	Total Paid	Total Charged	Transactions	Units
Ambulance*	\$ 2,500,474	\$ 4,687,537	14,186	246,888
Anesthesia**	\$ 1,474,681	\$ 8,351,439	4,842	525,110
CPT (Less Anesthesia)	\$ 54,654,210	\$ 121,138,777	626,963	870,602
HCPCS (Less Ambulance)	\$ 19,772,098	\$ 28,942,157	69,027	594,559
Total	\$ 78,401,463	\$ 163,119,910	715,018	2,237,159

*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 2022 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:
 - The occurrences for codes reported with modifier 26 and TC were projected separately, based on the 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 2022 occurrences and adjusted MAP amounts.

2022 Spending

Actual spending from 2022 based on the NCCI data was compared to projected spending based on 2022 fee schedule MAP values.

Category	Frequency	Payments (NCCI)	Fee Schedule Projections	Ratio of Payments to Fee Schedule
Evaluation and Management	110,175	\$ 13,833,309	\$ 15,689,598	88.17%
HCPCS Level II	311,655	\$ 5,690,827	\$ 7,312,593	77.82%
Medicine and Injections	12,073	\$ 1,304,497	\$ 1,306,085	99.88%
Pathology and Laboratory Services	10,356	\$ 377,167	\$ 424,810	88.78%
Physical Medicine	653,279	\$ 21,849,419	\$ 30,689,457	71.20%
Radiology	45,703	\$ 4,408,667	\$ 4,322,895	101.98%
Special Reports and Services	1,065	\$ 62,776	\$ 63,418	98.99%
Surgery	29,309	\$ 11,176,380	\$ 11,923,361	93.74%
Total	1,173,615	\$ 58,703,042	\$ 71,732,218	81.84%

2023 Projections

- Total dollar amounts were projected based on 2022 occurrences and 2023 relative value units (RVUs).
- Using these frequencies and RVUs, FAIR Health projected the estimated spending based on 2023 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	2023 Fee Schedule Projections
Evaluation and Management	110,175	324,918	\$ 16,626,494
HCPCS Level II	256,689	151,966	\$ 7,602,825
Medicine and Injections	12,073	25,622	\$ 1,308,679
Pathology and Laboratory Services	10,356	8,396	\$ 433,253
Physical Medicine	653,279	606,431	\$ 31,164,634
Radiology	45,703	84,241	\$ 4,342,886
Special Reports and Services	1,065	1,240	\$ 63,861
Surgery	29,309	235,483	\$ 12,110,026
Total	1,118,649	1,438,297	\$ 73,652,658

2024 Projections and Alternate Conversion Factors

- The projections of paid amounts for the 2024 fee schedule are based on 2022 frequencies and 2024 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 2024 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, 2024, 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 2025 MSPM to determine if we are able to value these codes at that time.

2024 Projections – Current and Alternate Conversion Factors

Category	Freq.	2024 RVUs	CF=50	CF=51	CF=51.5 (Current)	CF=52	CF=53
Evaluation and Management	110,175	330,750	\$ 16,526,855	\$ 16,847,357	\$ 17,007,734	\$ 17,166,884	\$ 17,484,384
HCPCS Level II	256,619	156,165	\$ 7,814,546	\$ 7,806,428	\$ 7,814,552	\$ 7,822,350	\$ 7,838,136
Medicine & Injection	12,073	26,272	\$ 1,305,822	\$ 1,330,726	\$ 1,338,563	\$ 1,350,571	\$ 1,374,590
Pathology & Laboratory	10,356	8,731	\$ 435,593	\$ 430,246	\$ 434,364	\$ 437,997	\$ 445,499
Physical Medicine	653,279	606,127	\$ 30,286,688	\$ 30,856,740	\$ 31,141,942	\$ 31,426,792	\$ 31,996,843
Radiology	45,703	84,225	\$ 4,213,111	\$ 4,296,667	\$ 4,338,520	\$ 4,380,198	\$ 4,463,732
Special Reports	1,065	1,259	\$ 62,911	\$ 64,169	\$ 64,799	\$ 65,427	\$ 66,674
Surgery	29,309	238,886	\$ 11,931,647	\$ 12,161,357	\$ 12,276,114	\$ 12,390,740	\$ 12,620,128
Total	1,118,579	1,452,415	\$ 72,577,173	\$ 73,793,689	\$ 74,416,588	\$75,040,960	\$ 76,289,986

Upon approval of a conversion factor for 2024, 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.



Summary of Proposed Changes 2024 Medical Services Provider Manual

January 18, 2024

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 2024 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 2024 Medical Services Provider Manual (MSPM). Page numbers refer to the pages in the South Carolina MSPM effective April 1, 2023.

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

Part I

Chapter I. Overview and Guidelines: Healthcare Common Procedure Coding System

Page 1 – Healthcare Common Procedure Coding System

- Language was updated to recognize that CPT occasionally uses alpha-numeric codes.

The Healthcare Common Procedure Coding System (HCPCS) is used in this fee schedule. Level I of the HCPCS is comprised of Current Procedural Terminology (CPT®), a coding system maintained by the American Medical Association (AMA) consisting of descriptive terms and identifying codes that are used primarily to identify medical services and procedures furnished by physicians and other medical care providers. CPT codes, comprised of five ~~digits~~ characters, are published and updated annually by the AMA. Level I of the HCPCS, CPT codes, does not include codes needed to separately report medical items or services that are regularly billed by suppliers other than physicians.

Level II of the HCPCS is a standardized coding system that is used primarily to identify services, products, and supplies not included in the CPT codes, such as some procedures and tests, durable medical equipment, prosthetics, orthotics, and supplies. Level II HCPCS codes were established for submitting claims for these items. The Centers for Medicare and Medicaid Services (CMS) maintains and distributes HCPCS Level II codes. Level II HCPCS ~~also referred to as alpha-numeric codes~~, consist of a single alphabetical letter followed by four numeric digits.

Page 2 – Providers Covered by the Manual, 3. Non-Physician Practitioners

- Included Mental Health Counselors, to align with the Centers for Medicaid & Medicare Services' (CMS) changes to expand access to care for mental health services.

Non-Physician Practitioners to include, but not limited to, physical therapists, physical therapy assistants, occupational therapists, occupational therapy assistants, physicians' assistants, nurse practitioners, certified registered nurse anesthetists, mental health counselors and medical or clinical social workers.

Page 2 – Service Level Adjustment Factor

- Added adjustment factor for reimbursement for Mental Health Counselors.
Mental Health Counselors: .75 for therapeutic and diagnostic services other than diagnostic tests; no adjustment is necessary for diagnostic tests.

Chapter II. General Policy

Page 7 – Copies of Records and Reports

- Added reference to the appendix for consistency with other sections of the provider manual.

Note: Providers do not need to obtain authorization from the injured worker to release medical records relating to a workers' compensation claim. An employee who seeks treatment under the provisions of the Workers' Compensation Act is considered to have given consent for the release of medical records relating to the examination or treatment. (See Appendix A for S.C. Code Section 42-15-95 and Regulation 67-1308.)

Chapter III. Billing Policy

Page 10 – Medically Unlikely Edits (MUES)

Note: Repeated on pages 14, 33 and 459

- Edited to align with updates in the National Correct Coding Initiative (NCCI) language.

Medically unlikely edits (MUEs) are applied according to the provider type. If the supply is provided in the physician office, use the practitioner services (physician) MUE table; if the medical service is provided in the inpatient or outpatient facility, use the outpatient services (facility) MUE table. For a DME supply only, a Medicare-approved provider is not required to dispense the DME. The ~~place of service appropriate~~ (physician or facility (place of service)) MUE schedule would be referenced for coverage. Significant supplies dispensed in the physician office may be reimbursed according to the guidelines in this Fee Schedule even if the MUE is 0. (See Part I Chapter IV, Paying for Supplies for more details regarding reimbursing supplies.)

Page 10 – Modifiers

- Added language to clarify that the modifier only applies to the service code appended and not to the entire bill.

A modifier is a two-digit code that is added to a CPT or HCPCS code to indicate that a service or procedure has been performed under or altered by a specific set of circumstances that do not change the definition or code. The Commission encourages providers to use modifiers to enhance the accuracy of medical services reporting, though use of a modifier may not affect actual payment. The modifier applies only to the specific service(s) to which it is appended. Other services included on the bill are not impacted by the modifier. For certain services and/or circumstances the use of a modifier is required. However, the use of a modifier does not guarantee additional payment to the provider.

Chapter IV. Payment Policy

Page 14 – Medically Unlikely Edits

Note: Repeated on pages 10, 33 and 459

- Edited to align with updates in the National Correct Coding Initiative (NCCI) language.

Medically unlikely edits (MUEs) are applied according to the provider type. If the supply is provided in the physician office, use the practitioner services (physician) MUE table; if the medical service is provided in the inpatient or outpatient facility, use the outpatient services (facility) MUE table. For a DME supply only, a Medicare-approved provider is not required to dispense the DME. The ~~place of service~~ appropriate (physician or facility (place of service)) MUE schedule would be referenced for coverage. Significant supplies dispensed in the physician office may be reimbursed according to the guidelines in this Fee Schedule even if the MUE is 0. (See Part I Chapter IV, Paying for Supplies for more details regarding reimbursing supplies.)

Page 14 – Add-on Code Edits

- Language modified to provide clarification and consistency with updated NCCI language.

CMS has adopted add-on code edits. An add-on code describes a service that can only be performed in addition to a primary service by the same practitioner. Add-on codes can be identified by a + in the CPT book and the Medical Services Provider Manual. These The CMS edits identify the primary procedure that should be reported with the add-on code, or those codes that do not specify a primary procedure. Add-on codes are identified as a type I1, H2, or H3.

- Type I1 has a limited number of identifiable primary procedure codes;
- Type H2 does not have a specific list of primary procedure codes; and
- Type H3 has a list of some, but not all, primary procedure codes identified

~~For example, There is one exception for Type 1 edits.~~ Add-on code guidelines indicate that code 99292 may be reported by a provider who does not report 99291 if another provider of the same specialty from the same group reports 99291 ~~on the same day~~. The add-on code edits have been recognized by Medicare since 2013, and followed by state Medicaid programs and health insurance carriers. More information about the add-on code edits can be found at: <http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/Add-On-Code-Edits.html>

Part II

Fee Schedule

Page 32 – Telemedicine

- Added place of service code 10 and descriptions of the place of service codes for clarification.
- Removed pandemic emergency language due to expiration of the public health emergency.
- Added mental health counselors.

Telemedicine is the use of electronic information and telecommunication technologies to provide care when the provider and patient are in different locations. Technologies used to provide telemedicine include telephone, video, the internet, mobile app and remote patient monitoring. Services provided by telemedicine are identified by the use of place of service code 02, ~~(telemedicine)~~ (telehealth provided other than in the patient's home) or 10 (telehealth provided in the patient's home) and Modifier 95, Synchronous Telemedicine Service, or Modifier 93, Synchronous Telemedicine Service Rendered Via Telephone or Other Real-Time Interactive Audio-Only Telecommunications System on the bill.

Certain services that are eligible for reimbursement under the South Carolina Medical Services Provider Manual when provided by telehealth ~~during the COVID-19 pandemic emergency~~ are identified with a star (★) in the rate tables. Telemedicine may not be used for emergent conditions. The maximum payment for telemedicine services is 100 percent of the billed charge, not to exceed the non-facility maximum allowable payment (MAP) listed in the rate tables. Service level adjustment factors are applicable based on the licensure of the healthcare professional providing the telemedicine service.

Additional services may be provided via telemedicine with pre-authorization by the payer.

The place of service for the telemedicine service is defined as the location of the patient/injured worker. Providers must be licensed to practice in South Carolina and telemedicine services may be provided by physicians, physician assistants, psychologists, nurse practitioners, physical therapists, occupational therapists, speech therapists, mental health counselors and social workers.

Telemedicine activities provided by physical therapy assistants and occupational therapy assistants must be supervised and directed by a physical therapist or occupational therapist, as appropriate, whose license is in good standing in South Carolina.

Page 33 – Medically Unlikely Edits (MUEs)

Note: Repeated on pages 10, 14 and 459

- Edited to align with updates to the National Correct Coding Initiative (NCCI) language.

Medically unlikely edits (MUEs) are applied according to the provider type. If the supply is provided in the physician office, use the practitioner services (physician) MUE table; if the medical service is provided in the inpatient or outpatient facility, use the outpatient services (facility) MUE table. For a DME supply only, a Medicare-approved provider is not required to dispense the DME. The ~~place of service appropriate~~ (physician or facility (place of service)) MUE schedule would be referenced for coverage. Significant supplies dispensed in the physician office may be reimbursed according to the guidelines in this Fee Schedule even if the MUE is 0. (See Part I Chapter IV, Paying for Supplies for more details regarding reimbursing supplies.)

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

Page 35 – Documentation must support the level of E/M service reported.

- Removed the link to AMA guidelines. In 2023 there were significant changes to E/M services and the AMA made an exception and provided a link to access the guidelines at no cost. This link is no longer active.

For complete instructions on identifying and billing E/M services, please refer to the Evaluation and Management Services Guidelines of the 2024 CPT book, or ~~<https://www.ama-assn.org/system/files/2023-e-m-descriptors-guidelines.pdf>~~

The appropriate level of E/M service is based on the level of medical decision making defined for each service or the total time spent on E/M services on the date of service.

Page 39 – South Carolina State-Specific Modifier

Note: Repeated on pages 71 and 387

- Appropriate was added before CPT code for consistency with other sections

AL Nurse practitioner, physician assistant or certified nurse specialist

When the service was provided by a nurse practitioner, physician assistant, or certified nurse specialist, modifier AL must be added to the appropriate CPT code for the service rendered.

Section 3. Surgery

Page 65 – General

- Provided language to clarify that services covered by follow-up days only apply to services related to the original procedure.

Follow-up days listed for individual services are those determined by the Centers for Medicare and Medicaid Services (CMS). During the follow-up period no payment will be made for hospital or office visits provided by the surgeon, for related procedures, since these services are included in the charge for the surgical procedure. The day after the service was rendered is considered day 1 of the follow-up period.

Page 66 – Exceptions

- Language was updated to clarify the difference between add-on codes and Modifier 51 exempt codes.

Certain procedures are not subject to the multiple procedures policy. These procedures are performed only in conjunction with other surgical procedures or ~~that otherwise~~ do not fit into the concept of multiple surgery.

~~As a general rule, the description will~~ Add-on codes contain the words “each additional” or “list separately” in ~~its~~ the CPT descriptor and ~~will be~~ are identified with the + icon in the rate tables. ~~These services are also known as “add-on” procedures.~~ These codes will ~~be~~ are an exception to the multiple procedures policy and are reported using the CPT code with no modifier. Payment for these services will be made at the lesser of billed charges or 100 percent of the MAP amount.

~~Modifier 51 exempt codes have not been~~ are identified with the ⊖ icon in the rate tables. ~~These codes are an exception to the multiple procedures policy and are reported using the CPT code with no modifier. Payment for these services will be made at the lesser of billed charges or 100 percent of the MAP amount.~~ A listing of CPT codes that are exempt from ~~the multiple procedures policy~~ modifier 51 is found in Appendix B of the Medical Services Provider Manual ~~and these codes are identified with a ⊖ icon in the rate tables.~~

Page 67 – Non-Physician Practitioners

- Certified nurse specialist was added for consistency with other sections of the MSPM.

When authorized by the employer or insurance carrier, a nurse practitioner, ~~or~~ physician assistant, or certified nurse specialist may provide services to injured workers. Payment to these non-physician practitioners is determined by multiplying the maximum allowable payment (MAP) amounts listed in the Schedule by a service level adjustment factor (SLAF) of .85. Incident-to guidelines are not applicable to services rendered under the 2024 Medical Services Provider Manual.

Page 71– South Carolina State-Specific Modifier

Note: Repeated on pages 39 and 387

- Appropriate was added before CPT code for consistency with other sections

AL Nurse practitioner, physician assistant or certified nurse specialist

When the service was provided by a nurse practitioner, physician assistant, or certified nurse specialist, modifier AL must be added to the appropriate CPT code for the service rendered.

Section 6. Medicine and Injections

Page 383 – Non-Physician Providers (Nurse Practitioners and Physician Assistants)

- Certified nurse specialist was added for consistency with other sections of the provider manual.

Physician assistants, and nurse practitioners and certified nurse specialists who treat injured workers are not paid at the full maximum allowable payment (MAP) amounts listed in the Schedule. Payments to these non-physician providers must not exceed 85 percent of the MAP amounts. To determine the maximum allowable payment for these providers, multiply the MAP amount listed in the Medical Services Provider Manual fee schedule by .85.

Page 384 – Services Rendered by a Clinical Social Worker

- Updated section title to reflect a broader recognition of social workers and to include the addition of Mental Health Counselors.

Services Rendered by a Mental Health Counselor, or a Medical or Clinical Social Worker

Page 384 – Billing

- Update section to clarify the inclusion of medical social workers and to add mental health counselors

Clinical psychologists must add modifier AH, and medical or clinical social workers or mental health counselors must add modifier AJ to the applicable CPT codes when billing for services. Services are paid at the lesser of the provider's usual charge or the MAP amount.

Page 387 – HCPCS Modifiers

- Updated modifier description to clarify the inclusion of medical social workers and to add mental health counselors

AJ Medical or Clinical Social Worker, or Mental Health Counselors

South Carolina Specific Instruction: *When the service was rendered by a medical or clinical social worker, or a mental health counselor, the modifier AJ must be added to the CPT code for the service rendered.*

Page 387– South Carolina State-Specific Modifier

Note: Repeated on pages 39 and 71

- Appropriate was added before CPT code for consistency with other sections

AL Nurse practitioner, physician assistant or certified nurse specialist

When the service was provided by a nurse practitioner, physician assistant, or certified nurse specialist, modifier AL must be added to the appropriate CPT code for the service rendered.

Section 9. HCPCS Level II

Page 459 – Medically Unlikely Edits (MUES)

Note: Repeated on pages 10, 14 and 33

- Edited to align with updates in the National Correct Coding Initiative (NCCI) language.

Medically unlikely edits (MUEs) are applied according to the provider type. If the supply is provided in the physician office, use the practitioner services (physician) MUE table; if the medical service is provided in the inpatient or outpatient facility, use the outpatient services (facility) MUE table. For a DME supply only, a Medicare-approved provider is not required to dispense the DME. The ~~place of service~~ appropriate (physician or facility (place of service)) MUE schedule would be referenced for coverage. Significant supplies dispensed in the physician office may be reimbursed according to the guidelines in this Fee Schedule even if the MUE is 0. (See Part I ~~Section~~ Chapter IV, Paying for Supplies for more details regarding reimbursing supplies.)

Analysis of Anesthesia Conversion Factor

January 5, 2024

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
- Comparison to other states' workers' compensation fee schedules

NOTE: The American Society of Anesthesiologists (ASA) no longer surveys anesthesia providers about conversion factors and does not publish the conversion factor study that was previously used for comparison in this report.

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 2024 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% of the national CMS anesthesia conversion factor. The comparison below is based on the Medicare conversion factor published in the 2024 Final Rule.

	National Comparison Anesthesia	South Carolina Comparison Anesthesia	Other Professional Services
South Carolina 2023 Conversion Factor	\$32.85	\$32.85	\$51.50
2024 Medicare Conversion Factor	\$20.4349 (National)	\$19.91 (Adjusted by CMS for South Carolina)	\$32.7442
Ratio	161%	165%	157%

Private Health Insurance

FAIR Health collects data for anesthesia services from private payors (more than 50 payors contribute data for 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 (Billed Anesthesia) are based on claims from July 2022 through June 2023 and allowed benchmarks (Allowed Anesthesia) are based on allowed amounts from claims incurred from January through December 2022. These are the latest releases available at the time of developing this report.

Conversion Factor Percentile											
Type	Release	Average	5th	10th	15th	20th	25th	30th	35th	40th	45th
Billed Anesthesia	Nov-2023	144.24	60.25	78.31	93.45	100.79	109.52	115.60	121.13	130.76	141.20
Allowed Anesthesia	Aug-2023	57.12	22.40	26.56	29.84	33.75	38.45	43.27	48.99	54.00	56.97
Conversion Factor Percentile											
Type	Release	50th	55th	60th	65th	70th	75th	80th	85th	90th	95th
Billed Anesthesia	Nov-2023	147.56	155.73	161.26	164.36	168.59	173.15	178.64	186.77	195.86	214.44
Allowed Anesthesia	Aug-2023	60.00	60.87	64.80	68.94	71.59	73.79	75.44	78.70	84.91	86.00

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.

In this analysis, the current \$32.85 conversion factor falls between the 15th and 20th percentiles of allowed values for private insurance. 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 \$60.00) is the median conversion factor value in the private insurance data and the average allowed conversion factor benchmark is \$57.12.

State Workers' Compensation Fee Schedules

FAIR Health reviewed anesthesia conversion factors documented in state workers' compensation fee schedules effective in 2023.

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	\$64.44
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	\$70.86
Ohio	\$41.71
Oklahoma	\$54.00
Tennessee	\$75.00
Virginia (6 regions)	\$51.48 - \$82.59

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 165% of the 2024 Medicare conversion factor for South Carolina and 161% of the national Medicare conversion factor.
- The ratio of the South Carolina workers' compensation anesthesia conversion factor to the Medicare conversion factor is slightly greater than 157% ratio of the conversion factor for other professional services (\$51.50) in comparison to Medicare (\$32.7442). However, the MAP amounts in the MSPM may also be limited by the +/- 9.5 percent cap on increases or decreases each year, and the formula-based conversion factors for professional services other than anesthesia would not be applicable to those services.
- South Carolina's conversion factor of \$32.85 is low when compared to other states' workers' compensation programs.