

# SC Workers' Compensation Commission



## Commission Update

SC Employers' Advocacy Association Regional Meeting

December 2, 2021



## Today's Update.....

- Commissioners
- FY2021 claims data
- IT Legacy System Modernization Project
- Ad Hoc Advisory Committee for Medical Fee Schedule
- CAME/Nuts and Bolts Workshops
- Removal of parties
- What's on your mind?



## South Carolina Workers' Compensation Commission

# The Commissioners



**T. Scott Beck**  
Chairman  
Term Expires  
June 30, 2026



**Susan S. Barden**  
Term Expires  
June 30, 2022



**Melody L. James**  
Term Expires  
June 30, 2022



**Aisha Taylor**  
Term Expires  
June 30, 2026



**Avery B. Wilkerson, Jr.**  
Term Expires  
June 30, 2026



**Gene McCaskill**  
Term Expires  
June 30, 2024



**Michael R. Campbell II**  
Term Expires:  
June 30, 2024



## Mission Statement

To provide an equitable and timely system of benefits to injured workers and employers in the most responsive, accurate and reliable manner possible.

## Organization Culture

Apply facts of the case to law  
Apply rules equitably  
Level playing field  
Efficiency and effectiveness  
Respond timely  
Every case involves a person



## Organization/Budget

7 Commissioners - Serve six-year terms

Chairman - Two-year term

Chief Executive Officer

Executive Director

Chief Operating Officer

FTE's - 53

Annual Operating Budget – \$8.3 million

Capital Project (IT) - \$1.7 million



# Coverage & Compliance

FY2021

<b>58,000</b>	Claims filed
<b>1,700</b>	Coverage investigations
<b>400</b>	Employers compelled to obtain coverage
<b>3,700</b>	Employees received coverage
<b>\$6.3 m</b>	Fines Assessed



# Judicial

<b>9,500</b>	Cases docketed for hearings
<b>11,000</b>	Settlements approved
<b>160</b>	Single Commissioner decisions appealed
<b>19</b>	Appellate decisions appealed to higher court
<b>8,300</b>	Attorney fee petitions approved
<b>1,033</b>	Mediations conducted
<b>2,466</b>	Informal Conferences



## Case Related Activities

Attorney Fee Petitions	8,337
Consent and Admin Orders	3,435
Clincher Conferences	1,748
Motions	1,531
Relief of Counsel Motions	759
Prehearing Conferences	282





# Appeals

**166** (-4%) Single Commissioner Appeals

**19** (-58%) Appeals to Higher Court



## Self-Insurance

Approved 109 applications

### Monitors

83 employers

9 funds

1,800 employers

350,000 employees

48 audits conducted

### Self-insurance Tax

Collected \$5.8 million

Remitted \$2.9 million to General Fund



# Medical and Compensation Cost FY2021

<b>Medical</b>	\$457 million (1% increase)*
<b>Compensation</b>	\$627 million (7% increase)

\*Medical Fee Schedule updated annually



# System Economic Impact

**\$1 Billion**

<b>Medical Cost</b>	<b>\$457 million</b>
<b>Compensation</b>	<b>\$627 million</b>



**\$12.5 million**

**Workers' Compensation Insurance Taxes**

2.5% of Premium

Commercial Premiums

Self-Insurance Tax



# Medical Cost

## Commission responsibility

Ensuring medical care is available to claimants  
Controlling cost of system

## Fee Schedules

### Maximum Allowable Payment (MAP)

Medical Services Provider Manual  
In-Patient Fee Schedule  
Ambulatory Surgery Center



# IT Legacy System Modernization Project

2019 new system did not work

Pending dispute with vendor

Developing RFPs for new system

EDI

Claims Management

Estimated Cost - \$10 million

Funding Request \$5 million state appropriations

\$1.6 million - previous state appropriations

Balance of Self-insurance tax collections and filing fees



# Ad Hoc Advisory Committee

(Medical Fee Schedule)

Fee schedule updated April 1 annually

Comments from stakeholders

Appointed Ad Hoc Advisory Committee

27 stakeholders

Attorneys – claimants and defense

Medical Service Providers – individuals and professional associations

Insurance carriers

Business and industry





# Ad Hoc Advisory Committee

## (Medical Fee Schedule)

### Issues

- Administrative burden on medical providers
- Use of single conversion factor in fee schedule
- Provider medical provider (physicians) educational opportunities to learn how the system works
- Issues of communication between stakeholders that contribute to delays in patient care
- Clarification of whether or not deposition costs and fees are considered IME costs



# Ad Hoc Advisory Committee

## (Medical Fee Schedule)

### Recommendations

- Fee schedule MAP mirror Medical Price Index from WCRI
- Change statute and regulation to eliminate single conversion factor
- Provide medical provider (physicians & administrators) educational opportunities
- Study ways to improve communication to decrease delays in patient care
- Clarify language that IME deposition costs and fees are not subject to cap
- Commission assess impact of recommendations on insurance premiums
- Parties to furnish copies of records and reports free of charge



## Removal of Parties

Stakeholder's requested consideration.

Removal of parties, legal cost for employers

Parties easy to add, difficult to remove.

Removal requires either

- Withdraw Form 50 and refile with new WCC number

- Obtain a consent order signed by all parties

- Proceed with a decision on the merits

Staff conducting legal research to determine potential solutions.



# Medical Services Provider Manual

Medicare Based (CMS)

2021 Resource Based Relative Values

Conversion Factor (\$51.50)

Updated Annually on April 1



## Commission Workshops

### **Nuts and Bolts**

Save the Dates

March 4, 2022

March 10, 2022

Location: SC Bar, Columbia, SC

CLE's

### **CAME**

Fall of 2022



**What's on your mind?**