

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201
January 12, 2026 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:

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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.

1. CALL TO ORDER	CHAIRMAN BECK
2. APPROVAL OF AGENDA OF BUSINESS MEETING OF JANUARY 12, 2026	CHAIRMAN BECK
3. APPROVAL OF MINUTES OF THE REGULAR BUSINESS MEETING DECEMBER 15, 2025 (Tab 1)	CHAIRMAN BECK
4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) A. Self-Insurance Department Report	MS. MARCUS
5. DEPARTMENT DIRECTORS' REPORTS Administrative Services (Tab 3) Information Services (Tab 4) Insurance and Medical Services (Tab 5) Claims (Tab 6) Judicial (Tab 7)	MR. BURGHARDT MR. PLUSS MR. DUCOTE MS. SPANN MS. BRACY
6. EXECUTIVE DIRECTOR'S REPORT (Tab 8)	MS. MCREE
7. FINANCIAL REPORT (Tab 9)	MS. MCREE
8. OLD BUSINESS APPROVAL OF AVERAGE WEEKLY WAGE – 2026 (Tab 10)	CHAIRMAN BECK
9. NEW BUSINESS MEDICAL SERVICES PROVIDER MANUAL (Tab 11) PROPOSED CHANGES TO REGULATIONS 67-206 & 67-1507 (Tab 12)	CHAIRMAN BECK
10. EXECUTIVE SESSION	CHAIRMAN BECK
11. ADJOURNMENT	CHAIRMAN BECK

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TAB 1

THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING MINUTES

December 15, 2025

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, December 15, 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
MELODY JAMES, COMMISSIONER
AISHA TAYLOR, COMMISSIONER
MICHAEL CAMPBELL, COMMISSIONER
GABE COGGIOLA, COMMISSIONER
CYNTHIA DOOLEY, COMMISSIONER

Present also were Kristen McRee; Executive Director, Keith Roberts, General Counsel, Attorney; Amy Bracy, Judicial Director; Chris Crump, IT Consultant; Francina Johnson, IT Consultant; Jerod Burghardt, Administrative Services Director; Eric Baxley, Staff Attorney; and Madison Seale, Staff Attorney. Noel Mann and two (2) representatives from IWA participated by zoom.

Chairman Beck called the meeting to order at 10:43 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 NOVEMBER 17, 2025.

Commissioner McCaskill moved that the minutes of the Business Meeting of November 17, 2025, 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 December 2025.

SELF-INSURANCE

Ms. McRee presented the report in written form in Ms. Marcus' absence. Fifteen (15) prospective members of three (3) funds were presented to the Commission for approval. The applications under consideration were:

SC Home Builders SIF

Alex & Sons Contracting LLC
Collins Custom Builds Inc
Comanco LLC
Cottonwood Construction and Design LLC
Greenville Electric LLC
Hale Development LLC
J A Redmond Builders LLC
Kairos Concrete Construction LLC
K Company Builders Inc
Manzell LLC
MPM Construction LLC
Sun Shades & Graphics Inc
Zachary Builders LLC

SC Municipal Self Insurance Trust Fund

Town of Bluffton

SC McDonalds Operators SIF

ROEI LLC

After examination of the applications from the prospective fund members, it was determined that the applications complied with the Commission's requirements and were recommended for approval. Commissioner Taylor 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.

In addition to the applications for fund membership, one (1) application to individually self-insure from Huntington Ingalls Industries Inc. was carried over from the November 17, 2025, Full Commission Business Meeting. Commissioner Taylor made a motion to approve the application. Commissioner Campbell seconded the motion.

DEPARTMENT DIRECTORS' REPORTS

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

ADMINISTRATIVE SERVICES

Mr. Burghardt presented the Human Resources report in written form. There were no comments or questions from the Commission.

INFORMATION SERVICES

Mr. Pluss presented his 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.

VOCATIONAL REHABILITATION

Ms. McRee presented the Vocational Rehabilitation report. There were no questions from the Commission.

FINANCIAL REPORT

Ms. McRee presented the financial report. There were no questions from the Commission.

EXECUTIVE DIRECTOR'S REPORT

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

OLD BUSINESS

There was no old business.

NEW BUSINESS

Approval of the 2026 weekly wage of \$1,178.30.

Commissioner Taylor made a motion to approve the weekly wage. Commissioner Dooley seconded the motion.

EXECUTIVE SESSION

There was no executive session.

ADJOURNMENT

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

The December 15, 2025, meeting of the South Carolina Workers' Compensation Commission adjourned at 11:07 a.m.

Reported January 5, 2026.

Arnisha Keitt
Executive Assistant

TAB 2

TAB 3

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: Kristen McRee, SCWCC Executive Director
From: Jerod M. Burghardt, Director of Administrative Services
Date: January 12, 2026
Subject: Administrative Department December 2025 Full Commission Report

This report summarizes the Human Resources, Records Management, Procurement, and Finance initiatives during December 2025.

I. Human Resources

Hiring Recruitment & Retention

We have reposted the open position in the Judicial Department due to the candidate declining the employment offer. The posting will be active in NeoGov through January 16th, 2026.

Reporting & Records Management

The department completed purging of personnel records outside their retention schedule and will continue to purge the remaining records throughout the office. The department has closed out all remaining open enrollment issues.

Policy Updates

The department finalized the approved policy changes to the progressive discipline policy and submitted the changes to the Agency Department of Administration liaison for final approval.

II. Procurement

The department continues communication with the state Project Manager coordinate the start of the commission uplift. Expected start date is January 20th, 2026. We have processed the change order to remove the construction from the Executive Director's office recouping funds that were allocated toward this.

We have started the search for a new security vendor. We will utilize the Request for Proposal procurement process, which is longer, to ensure we get the best possible candidate for the contract. In the meantime, an emergency procurement is being made to utilize a local company

to provide armed security during the bidding and RFP process. The new temporary vendor will start on January 15th, 2026. The RFP process could take between 90 and 120 days to approve and select a vendor.

III. Finance

The department has started using the AP SharePoint to accurately view and track changes to our submitted invoices awaiting approval. We are capturing lessons learned over the next 2 months to share with the Department of Admin to support the process development.

The department is developing a visual tracker in MS Power Apps to automate expense and payment tracking, ensuring we have a weekly eye on the commission's financials.

The department is going through the Procurement orders to ensure accuracy of cost in attached to each order. As well, we are monitoring all changes to better support the budgeting process to accurately depict the cost of each order and provide an estimated cost assessment to the Executive Director's office monthly.

TAB 4

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P.O. Box 1715
Columbia, S.C. 29202-1715



Tel: (803) 737-5700
Fax: (803) 737-1258
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Workers' Compensation Commission

To: Kristen McRee, SCWCC Executive Director
From: Kris Pluss, IT Director
Date: January 6, 2026
Subject: IT Department December 2025 Full Commission Report

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

I. Systems Operations, Maintenance and Support:

Copier Machine Replacement:

WCC IT and the Executive Director's Office have decided to continue our relationship with Xerox and replace our existing equipment with four new Xerox multi-functional copiers (3 black & white / 1 color). We are currently working through the PO Process, and we will coordinate with Xerox to remove existing equipment, configure and deploy the new copiers.

Legacy Modernization Project:

Verisk EDI Updates*:

Verisk deployed the final series of updates to allow multi-admin claims to be filed systemically within the Verisk Portal by the carriers without requiring manual review and acceptance from Verisk and/or SC WCC employees. Verisk was also able to adjust the acceptance requirements for matching the spelling of an injured employee's name on a multi-admin claim to avoid creating duplicate claims. This was implemented on December 15, 2025, and IMS and the WCC IT Team are monitoring the FROI / SROI submissions daily for accuracy.

89.35% of filings by the carriers were accepted in December 2025.

EDI Filings Accepted and Processed from Verisk:

December 1, 2025 – December 31, 2025

Type:	Count:	Percentage:
FROI (New / Change)	4,113	54.20%
SROI (Periodic)	3,475	45.80%
Totals:	7,588	100%

* This is considered part of Phase 3 in the Legacy Modernization Project. The Carrier Filings and Interfaces phase is scheduled to be complete in Quarter 2, 2026. Additional sub-sections within this phase include: allowing external stakeholders to cancel a “scheduled hearing” in eCase and text search in OnBase Documents.

WCC IT continues to finalize the updated roadmap for the legacy modernization project, which maintains the best ideas from the KERMIT system while updating the existing PROGRESS, OnBase, EDI, and eFile/ePay submission portals. This updated roadmap will include a high-level project overview and a supporting detailed project plan. The project plan will include the individual steps identified to complete each remaining phase of the project and both documents will include the corresponding expected completion dates and time requirements.

Artificial Intelligence (AI) Transcription Service:

WCC IT meet with several different AI Service providers (Otter.ai, Sonix.ai, and Verbit.ai) in December and was provided with licenses for testing. Several potential problems were identified during the testing process. Each of the services requires manual intervention to identify the speakers for the transcript and the benchmark for accuracy with attributing dialog to a speaker was only 80%. This benchmark is only achieved when the audio is at the right volume level, participants are speaking clearly and there is no “overtalking” during the hearing.

Reporting:

72	Service Desk tickets were received by WCC IT during December 2025.
60	Tickets were assigned a priority of Low.
9	Tickets were assigned a priority of Medium.
3	Tickets was assigned a priority of High.
0	Tickets were assigned a priority of Urgent.

eFile / ePay Submissions:

4,334 unique electronic submissions were processed in December 2025

\$144,542 were collected via online filings

1,347 ePay transactions were submitted with a payment

* Filing Fees:	\$59,350
* Fines:	\$70,300
* Other:	\$14,892 (Appeals, Copy Requests, SI Tax, SI App, and Workshop Registrations)

2,987 eFile submissions were filed without an online payment

Percent of Change from Previous Month:

Type	Nov	Dec	% Change
Total Unique Submissions	3,931	4,334	9%
Payment	1,205	1,347	11%
No Payment	2,726	2,987	9%
Total Amount Paid Online	\$132,735	\$144,542	8%
Fees and Fines	\$131,750	\$129,650	-2%
Fees	\$53,075	\$59,350	11%
Fines	\$78,675	\$70,300	-12%
Other	\$985	\$14,892	93%

Online Activity – Monthly and YTD:

Online Submissions (ePay vs. eFile), Judicial Pleadings for Claimant and Defense (Online vs. Physical), and Online Payments by Type.

IT Report Detail	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
Online Submissions (eFile)												Online Filings	
Total Unique Submissions	3,761	3,734	4,253	4,158	3,950	3,901	4,246	4,205	4,240	4,642	3,931	4,334	49,355
Submissions with Payment	1,098	1,046	1,233	1,267	1,264	1,180	1,237	1,289	1,364	1,452	1,205	1,347	14,982
Submissions with No Payment	2,663	2,688	3,020	2,891	2,686	2,721	3,009	2,916	2,876	3,190	2,726	2,987	34,373
Judicial Pleadings (Online vs. Physical)												Judicial Pleadings	
Claimant Pleadings												Claimant Only	
Total Claimant Pleadings	570	571	561	611	589	584	625	606	594	674	507	534	7,026
Percent Claimant Online	68%	63%	71%	71%	77%	67%	68%	75%	78%	77%	74%	74%	72%
Percent Claimant Physical	32%	37%	29%	29%	23%	33%	32%	25%	22%	23%	26%	26%	28%
Defense Pleadings												Defense Only	
Total Defense Pleadings	288	284	280	248	280	268	280	242	267	295	222	238	3,192
Percent Defense Online	43%	43%	48%	57%	55%	53%	45%	47%	58%	61%	64%	60%	52%
Percent Defense Physical	57%	57%	52%	43%	45%	47%	55%	53%	42%	39%	36%	40%	48%
Combined Pleadings (Claimant + Defense)												Combined Pleadings	
Total Combined Pleadings	858	855	841	859	869	852	905	848	861	969	729	772	10,218
Online Payments (ePay)												Online Payments	
Total Amount Paid Online	\$76,553	\$103,789	\$939,350	\$35,091	\$148,353	\$147,664	\$112,826	\$116,371	\$121,889	\$113,801	\$132,735	\$144,542	\$2,192,963
Payments for Fees and Fines	\$76,083	\$93,381	\$110,189	\$119,046	\$146,074	\$146,674	\$111,636	\$115,241	\$118,339	\$112,806	\$131,750	\$129,650	\$1,410,866
Fees	\$50,948	\$48,231	\$55,689	\$56,721	\$57,744	\$52,994	\$55,350	\$57,600	\$61,298	\$66,525	\$53,075	\$59,350	\$675,523
Fines	\$25,135	\$45,150	\$54,500	\$62,325	\$88,330	\$93,680	\$56,286	\$57,641	\$57,041	\$46,281	\$78,675	\$70,300	\$735,343
Other Payments	\$470	\$10,409	\$829,161	-\$83,955	\$2,279	\$990	\$1,190	\$1,130	\$3,551	\$995	\$985	\$14,892	\$782,097

Other Payments include: Appeals, Copy Requests, Self- Insurance Tax, Self-Insurance Membership Application, and Workshop Registrations

TAB 5

State of South Carolina



Workers' Compensation Commission

MEMORANDUM

Date: January 8, 2026

**To: Kristen McRee
Executive Director**

**From: Wayne Ducote
Insurance & Medical Services Director**

RE: Monthly Insurance & Medical Services Report for December 2025

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

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

Coverage Division

The Coverage Division had 32 new registrants for notification of lapse in coverage within our coverage notification system. No lapse in coverage notifications were sent. In the fourth quarter of 2025, NCCI had 2,331 new registrants within their notification system. 185 lapses in coverage notifications were sent.

The Coverage Division processed 1,566 Form 12As submitted electronically through the Verisk system and processed 251 manually filed Form 50s into the Verisk system.

Compliance Division

The Compliance Division created 178 DEW compliance investigation files. Of those 178 files, 41 files were closed immediately due to coverage being located. The remaining 137 files were opened for further investigation and notifications were sent to employers.

The Compliance Division collected over \$87,000 in non-compliance penalties and compelled 59 employers to come into compliance with the Act, which resulted in 344 more employees now covered by workers' compensation insurance than were previously covered. In addition, the GEAR program collected \$1,031.43 from two of our old non-compliant employers.

The Compliance Division docketed 14 carriers for a Rule to Show Cause hearing in December. All 14 carriers resolved their outstanding fines, totaling \$3,000, prior to the scheduled hearing date.

Medical Services Division

The Medical Services Division resolved 8 formal medical bill disputes, completed five medical bill reviews, and completed two medical bill pricing reviewer recertifications. Additionally, the Medical Services Division had 153 contacts with stakeholders via emails and phone calls.

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
December 2025 Monthly Report

	July	August	September	October	November	December	YTD Total FY25-26	YTD Total FY24-25	% Chg FY26
COMPLIANCE									
Total Cases Active at Beginning of Period	338	303	315	412	453	470	2291	1552	48%
Total Cases Initiated	333	256	273	290	235	219	1606	1114	44%
Total Cases Closed	368	244	176	249	218	215	1470	1117	32%
Total Cases Active at End of Period	303	315	412	453	470	474	2427	1549	57%
Cases from F50/12A/other	27	25	18	17	17	19	123	112	10%
Cases from DEW	283	225	230	243	203	178	1362	938	45%
Cases from Carriers	20	14	26	22	12	20	114	79	44%
Total Fines Assessed	\$ 126,302	\$ 83,500	\$ 84,189	\$ 80,500	\$ 100,250	\$ 91,250	\$ 565,991	\$ 416,979	36%
- DEW / Coverage / Miscellaneous	\$ 123,552	\$ 80,500	\$ 84,189	\$ 79,000	\$ 100,250	\$ 91,250	\$ 558,741	\$ 366,676	52%
- Underlying claim / uninsured employer	\$ 2,750	\$ 3,000	\$ 0	\$ 1,500	\$ 0	\$ 0	\$ 7,250	\$ 50,303	-86%
Total Fines Collected	\$ 120,391	\$ 95,068	\$ 76,336	\$ 79,396	\$ 105,100	\$ 87,775	\$ 564,066	\$ 379,860	48%
- DEW / Coverage / Miscellaneous	\$ 116,641	\$ 93,818	\$ 74,586	\$ 76,396	\$ 104,750	\$ 87,625	\$ 553,816	\$ 344,632	61%
- Underlying claim / uninsured employer	\$ 3,750	\$ 1,250	\$ 1,750	\$ 3,000	\$ 350	\$ 150	\$ 10,250	\$ 35,228	-71%
Fines Waived/Rescinded/Uncollectable	\$ 10,250	\$ 5,500	\$ 9,190	\$ 5,750	\$ 2,499	\$ 14,950	\$ 48,139	\$ 36,401	32%
- Waived	\$ 3,750	\$ 1,000	\$ 9,190	\$ 4,250	\$ 250	\$ 750	\$ 19,190	\$ 28,900	-34%
- Rescinded	\$ 6,500	\$ 4,500	\$ 0	\$ 1,500	\$ 750	\$ 1,500	\$ 14,750	\$ 7,501	97%
- Uncollectable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,499	\$ 12,700	\$ 14,199	\$ -	-
Employer RTSC Cases Docketed	1	8	6	6	4	0	25	2	1150%
Employers Compelled Into Compliance	47	45	34	53	62	59	300	248	21%
Previous Uninsured Employees Now Covered	221	270	210	363	392	344	1800	1546	16%
Carrier RTSC Cases Docketed	12	20	14	26	22	14	108	75	44%
Carrier RTSC Cases Resolved	12	20	14	26	21	14	107	75	43%
Carrier RTSC Fines Resolved	\$ 27,600	\$ 4,200	\$ 15,839	\$ 7,450	\$ 4,600	\$ 3,000	\$ 62,689	53704	17%

COVERAGE & ACCIDENT RPTG									
Employers Withdrawing From the Act	10	4	5	5	4	2	30	28	7%
Coverage Fines Assessed	\$ 38,750	\$ 38,400	\$ 28,650	\$ 32,600	\$ 22,600	\$ 29,800	\$ 190,800	\$ 191,950	-1%
Coverage Fines Collected	\$ 22,800	\$ 21,200	\$ 28,950	\$ 22,800	\$ 17,200	\$ 23,800	\$ 136,750	\$ 136,450	0%
Coverage Fines Waived	\$ 8,600	\$ 8,400	\$ 7,600	\$ 10,400	\$ 4,000	\$ 4,400	\$ 43,400	\$ 35,600	22%
Number of 12As Filed EDI	1,815	1,986	1,902	2,003	1,589	1,566	10,861	10,429	4%
Number of 12As Filed Manually	278	252	275	246	248	251	1,550	1,470	5%
Total Number of WCC Files Created	2,093	2,238	2,177	2,249	1,837	1,817	12,411	11,899	4%
Number of Fatalities Filed on 12As	11	6	4	6	4	5	36	46	-22%

MEDICAL SERVICES									
Bills Pending at Beginning of Period	11	9	7	6	8	10	51	34	50%
Bills Received	6	6	10	9	13	5	49	50	-2%
Bills to be Reviewed	17	15	17	15	21	15	100	84	19%
Bills Reviewed this Month	8	8	11	7	11	8	53	49	8%
Bills Pending at End of Period	9	7	6	8	10	7	47	35	34%
Total Stakeholder Contacts	126	92	170	255	248	153	1044		

TAB 6

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: Kristen McRee, Executive Director

From: Sonji Spann, Claims Director

Date: January 12, 2026

Re: Claims Department January 2026 Full Commission Report

Attached is the Statistical Report for the Claims Department for the period July 1, 2025 – December 31, 2025, prepared for the Business Meeting on January 12, 2026.

Please note a format change in the attached data. The new format includes new categories, noted by an “*”, in the Claims Activities column to report the number of forms returned to the sender. Collecting and reporting this information further clarifies the department’s daily activities and provides insight into training needs for external stakeholders.

The total claims activities, for this period have increased 5% when compared to the same period from last fiscal year. The new data in the returned forms categories accounts for 529 or 4% of the total activities.

When compared to the same period last fiscal year, the number of cases reviewed is 2% higher, and the number cases closed is 4% higher; the number of fines assessed is 4% more; and the total fines paid is 27% higher. The number of Form 18 fines that were assessed automatically by the IT system increased by 4%.

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

Claims Department Statistical Report FY2025-2026										
Claims Activities	July	August	Sept	Oct	Nov	Dec	FY25-26 YTD Total	FY24-25 YTD Total	% Diff from prev year	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(o)	(p)	(q)	
Forms 15-I - Processed	1,175	1,161	1,148	1,250	947	965	6,646	6,514	2%	
Forms 15-I - Returned*	30	30	19	24	17	13	133			
Forms 15-II/Forms 17 Processed	780	732	791	787	664	651	4,405	4,366	1%	
Forms 15-II/Forms 17 Returned*	118	64	56	101	87	75	501			
Forms 16 for PPD Processed	59	39	59	61	51	64	333	330	1%	
Forms 16 for PPD Returned*				-			-	-		
Forms 18 - Processed	5,073	4,624	4,747	4,977	4,219	5,041	28,681	29,338	-2%	
Forms 18 - Returned*										
Forms 20 - Processed	617	594	575	581	462	355	3,184	2,920	9%	
Forms 20 - Returned*										
Form 61 - Processed	781	706	765	745	551	799	4,347	4,186	4%	
Form 61 - Returned*	43	32	48	47	42	66	278			
Clinchers - Processed	683	663	680	691	505	737	3,959	3,906	1%	
Clinchers - Returned*	10	12	29	22	27	39	139			
Third Party Settlements Processed	23	23	21	28	20	31	146	121	21%	
Third Party Settlements Returned*	1	-		2	3	8	14			
SSA Requests for Info	43	47	55	44	39	27	255	212	20%	
Cases Closed Form 19 - Processed	2,466	2,265	2,261	2,307	1,854	1,960	13,113	12,647	4%	
Cases Closed Form 19 - Returned*	409	381	390	429	313	328	2,250			
Cases Reviewed	3,517	3,384	3,434	3,473	2,499	2,328	18,635	18,266	2%	
Total	15,828	14,757	15,078	15,569	12,300	13,487	87,019	82,806	5%	
							-			
Total Fines Assessed	\$ 279	\$ 265	\$ 216	\$ 265	\$ 168	\$ 264	\$ 1,457	\$ 1,407	4%	
Form 18 Fines	\$ 268	\$ 212	\$ 182	\$ 227	\$ 144	\$ 248	\$ 1,281	\$ 1,237	4%	
Total Amt Paid	\$ 63,650	\$ 43,000	\$ 47,250	\$ 36,250	\$ 32,800	\$ 31,400	\$ 254,350	\$ 200,700	27%	

TAB 7

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



Tel: (803) 737-5700
Fax: (803) 737-1234
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Workers' Compensation Commission

January 6, 2026

To: Kristen McRee, Executive Director
From: Amy A. Bracy, Judicial Director
RE: Monthly Judicial Report for December 2025

During the month of December, the Judicial Department processed three hundred twenty-seven (327) claim only 50s, and seven hundred seventy-two (772) requests for hearings (claimant and defense pleadings). Comparing the numbers from the same period last year, claimant pleadings are up 2% and defense pleadings are down 1%. The department received ninety-six (96) motions, a 12% decrease compared to the same period last year and one hundred forty-one (141) clincher conference requests, a 2% decrease compared to the same time last year.

There were fifty-six (56) Single Commissioner hearings conducted during the past month, ten (10) pre-hearing conferences held, and eight (8) Full Commission hearings held. A total of four hundred seventy-seven (477) 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, two hundred sixty-four (264) were consent orders and one hundred thirty-seven (137) were motion orders that were a result of motions ruled upon by Commissioners. The remaining thirty-one (31) orders were general administrative orders.

There were two hundred four (204) informal conferences requested during December and one hundred seventy-six (176) were conducted.

There were thirty-nine (39) regulatory mediations scheduled and sixty-two (62) requested mediations. Totals for regulatory mediations are up 6% and requested mediations are up 3% for the same period last year. The Judicial Department was notified of forty (40) matters resolved in mediation, with the receipt of Forms 70. This category's total is down 6% compared to this period last year. This does not include mediations that take place outside of what is reported to the Commission.

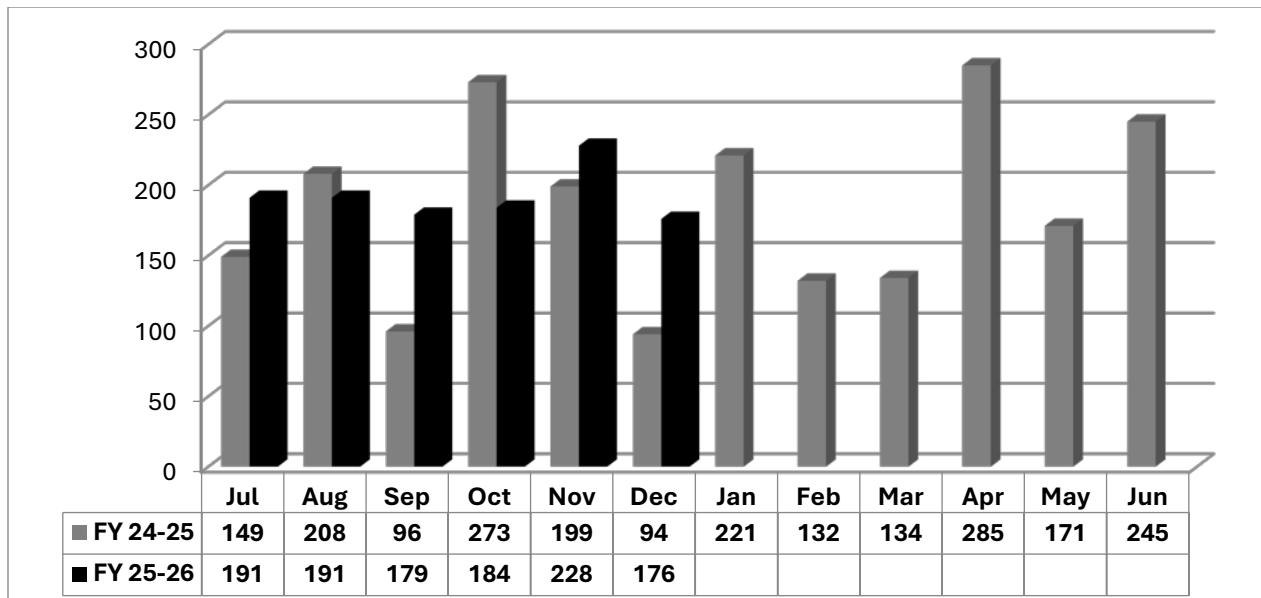
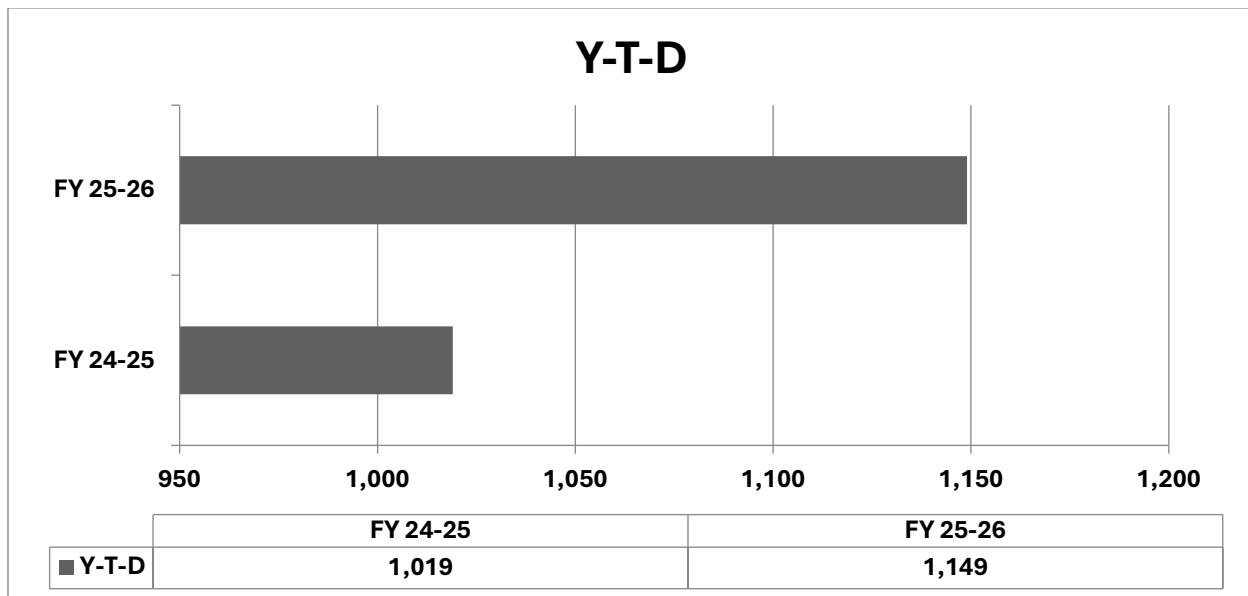
In the month of December, Judicial received zero (0) Notices of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

Judicial Department Statistical Report
Statistics For Fiscal Year 2025-2026 - Updated Version

	July	Aug	Sept	Oct	Nov	Dec	Totals YTD 2025-2026	Totals YTD 2024-2025	% Diff from prev year
Claimant Pleadings	625	606	595	676	509	534	3,545	3,470	2%
Claimant Pleadings - Not proper (new)	86	81	87	91	61	69	475	619	-23%
Defense Response to Pleadings	462	537	506	540	527	472	3,044	2,977	2%
Defense Pleadings	280	242	267	295	223	238	1,545	1,565	-1%
Defense Pleadings - Not proper (new)	57	57	52	62	54	40	322	349	-8%
Form 50 - Claim Only	280	294	360	362	275	327	1,898	1,711	11%
Letters of Representation	78	268	186	159	135	151	977	291	236%
Motions	111	118	105	123	77	96	630	716	-12%
Motion - Reliefs of Counsel (new)	57	63	94	127	75	73	489	501	-2%
Motions Improper (Motions and ROC) (new)	31	40	39	60	43	35	248	254	-2%
Form 30	10	7	5	7	2	10	41	52	-21%
FC Hearings Held	6	9	5	4	8	8	40	28	43%
FC Orders Served	9	16	10	7	4	7	53	97	-45%
Single Comm. Hearings Held	55	51	41	62	54	56	319	318	0%
Single Comm. Orders Served	498	473	536	512	371	477	2,867	2,916	-2%
Single Comm. Pre-Hearing Conf Held	5	13	16	21	2	10	67	62	8%
Clincher Conference Requested	141	158	142	165	123	141	870	887	-2%
Informal Conference Requested	279	199	297	216	268	204	1,463	1,421	3%
Informal Conference Conducted	191	191	179	184	228	176	1,149	1,019	13%
Regulatory Mediations	31	30	34	33	41	39	208	196	6%
Requested Mediations	86	83	78	84	57	62	450	438	3%
Mediation Resolved	39	87	37	54	78	40	335	358	-6%
Mediation Impasse	12	37	19	11	17	9	105	106	-1%
Claim Settled Prior to Mediation	9	11	9	19	22	19	89	98	-9%
Total	3,438	3,671	3,699	3,874	3,254	3,293	21,229	20,449	4%

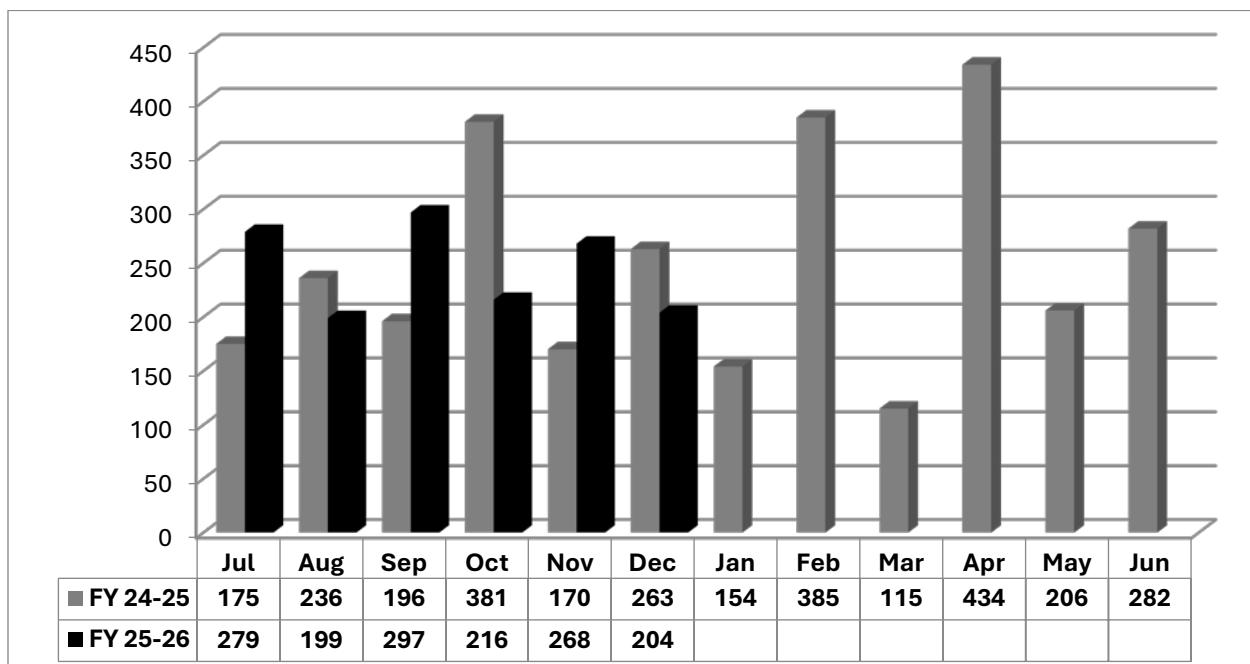
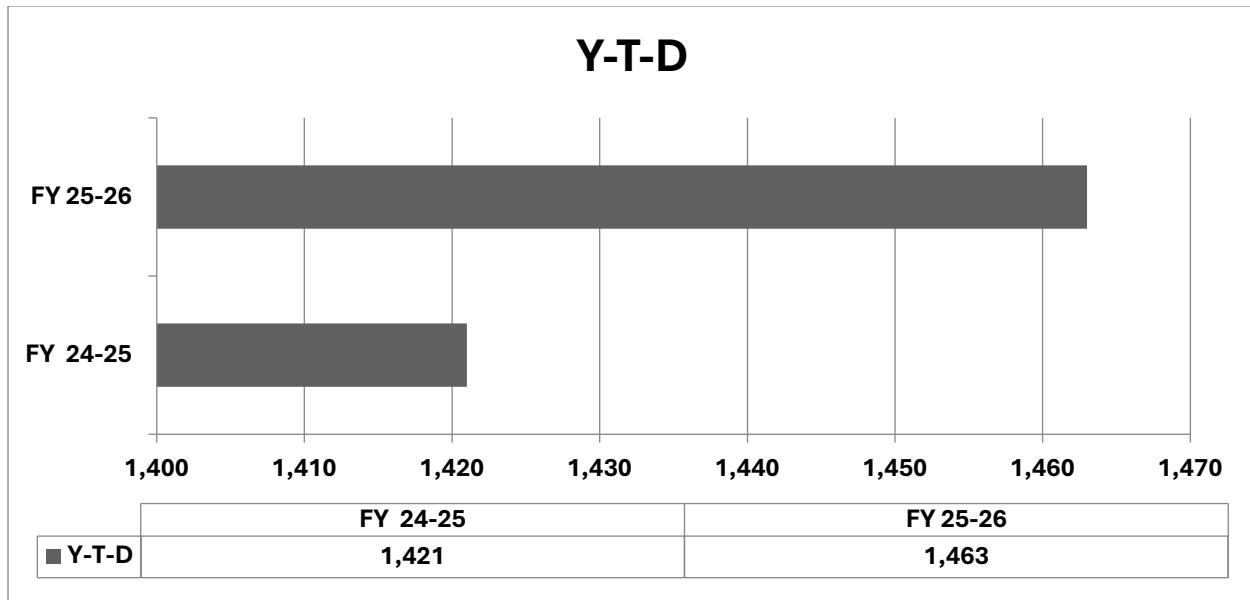
Judicial Department Informal Conferences Conducted

Year-to-Date December 2025



Judicial Department Informal Conferences Requested

Year-to-Date December 2025

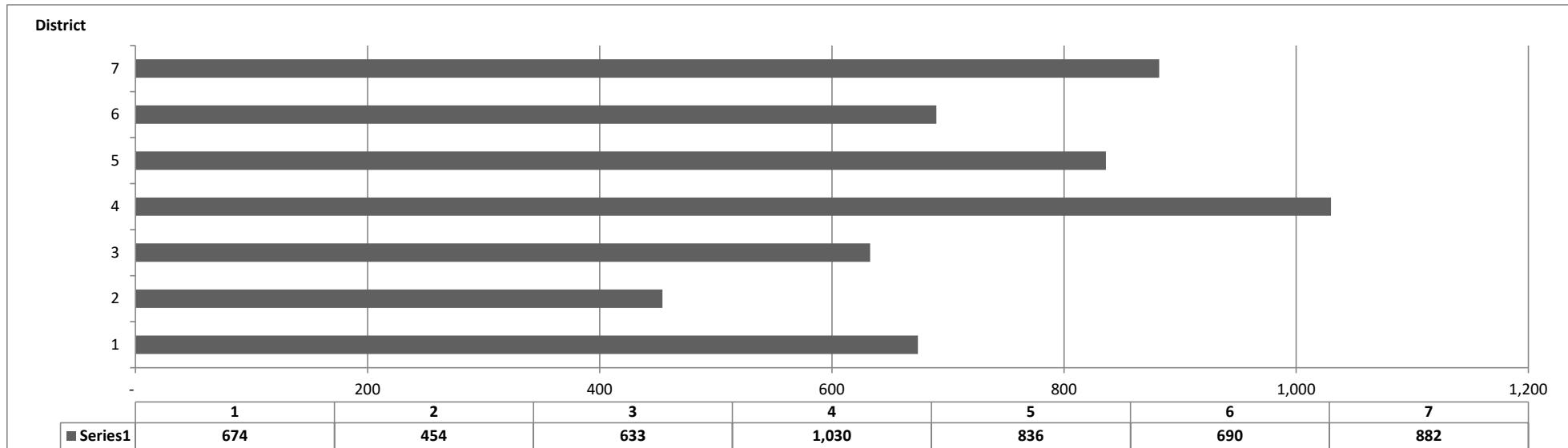


Judicial Department

Pleadings Assigned - Three Year Comparison by Month

	District 1			District 2			District 3			District 4			District 5			District 6			District 7		
	Greenville		23-24	Anderson		23-24	Orangeburg		23-24	Charleston		23-24	Florence		23-24	Spartanburg		23-24	Richland		
	25-26	24-25	23-24	25-26	24-25	23-24	25-26	24-25	23-24	25-26	24-25	23-24	25-26	24-25	23-24	25-26	24-25	23-24	25-26	24-25	23-24
Jul	96	130	93	80	101	64	99	125	80	153	172	150	129	152	106	103	123	100	131	146	131
Aug	118	93	112	89	74	85	112	135	115	188	186	189	140	111	145	126	135	118	168	179	150
Sep	109	78	110	73	49	83	98	70	113	160	126	234	138	96	160	115	89	111	141	97	148
Oct	125	123	96	72	111	68	115	125	107	199	244	181	157	183	149	141	149	114	157	168	142
Nov	122	73	106	70	48	79	114	85	111	157	164	190	122	122	139	94	112	113	138	120	173
Dec	104	117	105	70	68	80	95	118	99	173	157	142	150	145	99	111	128	93	147	136	107
Jan	108	102		76	73		106	79		152	174		142	117		111	114		143	147	
Feb	88	114		64	69		83	94		136	170		133	128		112	117		132	132	
Mar	91	104		78	82		88	119		200	172		152	152		110	117		143	166	
Apr	103	112		90	58		82	102		157	173		127	114		97	116		135	140	
May	109	133		55	94		120	115		179	206		115	153		97	123		135	142	
Jun	114	101		88	65		140	88		183	147		148	157		123	95		162	133	
Totals	674	1,227	1,288	454	902	900	633	1,277	1,222	1,030	2,056	2,128	836	1,626	1,619	690	1,386	1,331	882	1,696	1,711

Pleadings Assigned by District Year to Date



TAB 8

State of South Carolina



Workers' Compensation Commission

Executive Director's Report

January 12, 2026

Meetings and Other Activities

During the month of December, the Executive Director's Office held several one-on-one meetings with department heads and attended a State Fiscal Accountability Authority business meeting, two candidate interviews for the open hearing operations coordinator position in the judicial department, a budget meeting with the Department of Administration, a South Carolina Forms Training with Sedgwick, and a State Accident Fund webinar discussing third-party claims.

Constituent /Public Information Services

For the month of December, the Executive Director's and the General Counsel's offices had one hundred-twelve (112) contacts with stakeholders.

Financial Transactions Activity

During the month of December, the Executive Director's office processed and approved five (5) travel expense reports, forty-seven (47) invoices, and thirty-eight (38) deposits. All documentation related to these financial transactions was sent to Admin to process in the SCEIS system.

SCWCC Stakeholder Electronic Distribution List

For the month of December, the Executive Director's office had four (4) additions and twenty-seven (27) deletions to the distribution list.

Advisory Notices

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

Vocational Rehab

There were 1,960 claims closed in the month of December. All claims were referred for disposition by Vocational Rehabilitation in January 2026.

TAB 9

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: **Kristen McRee, Executive Director**

DATE: **January 12, 2026**

RE: **FINANCIAL REPORT – FY Period 6 Ending December 31, 2025**

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the fiscal year period ending December 31, 2025. The benchmark for this period is 50%.

Expenditures – General Fund – Annual Budget \$6,096,329

The total expenditure for the General Fund year-to-date is \$2,929,250 or 48% of the annual budget. Staff salary expenditures transferred from the earmarked fund at the close of FY25 account for the increase in spend for this period last FY.

The balance of the fund appropriated by the General Assembly for the IT System Modernization Project has decreased 31% to \$1,162,275 from its original balance of \$1,695,084 because of expenses related to the IT Legacy System upgrades. Year to date, total expenditures from the fund equal \$373,925. The balance of the non-recurring appropriation funds for the IT System Project remains stable at \$1,000,000.

Expenditures – Earmarked Fund – Annual Budget \$3,383,413

The Earmarked Fund (38440000) total expenditures year-to-date are \$809,770 which is 24% of budget.

Revenues – Earmarked Annual Budget \$3,155,349

The Commission posted \$1,788,366 in Earmarked Fund operating revenues year-to-date, which is 57% of the annual budget.

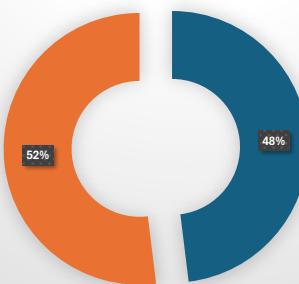
Statement of General Fund Expenditures and Revenues Fiscal Year 2026

Period 6 Ending 12/31/2025 - 50% of year elapsed

	Fund	Commitment Item		Budget	FY26 YTD Actual	FY25 YTD Actual
Revenues						
General Fund Appropriation	10010000			\$ 6,016,541	\$ 6,016,541	\$ 5,939,713
General Fund Adjustments	10010000	516001		\$ 79,788	\$ 79,788	\$ 76,828
Total Revenues				\$ 6,096,329	\$ 6,096,329	\$ 6,016,541
Expenditures			Account	Budget	FY26 YTD Actual	FY25 YTD Actual
	10010000	501026	Chairman	\$ 194,296	\$ 97,148	\$ 95,243
	10010000	501033	Commissioners	\$ 1,131,810	\$ 565,905	\$ 523,988
	10010000	501015	Director	\$ 160,339	\$ 80,169	\$ 78,598
	10010000	501058	Classified Positions	\$ 2,854,790	\$ 1,283,426	\$ 244,325
			Admin	\$ 562,954		
			AA's	\$ 454,953		
			Claims	\$ 325,313		
			IMS	\$ 432,832		
			Judicial	\$ 538,867		
			Self-Insurance	\$ 115,400		
			IT	\$ 424,471		
Total Payroll:				\$ 4,341,235	\$ 2,026,648	\$ 942,154
	10010000	501050	Taxable Subsistence	\$ 75,000	\$ 38,607	\$ 35,965
	10010000	501070	Other Personnel Services	\$ 75,000	\$ 20,744	\$ 32,009
	10010000	503000	Supply and Material		\$ 42	\$ 4,126
	10010000	513000	Employer Contributions	\$ 1,730,765	\$ 843,209	\$ 369,295
Total Expenditures					\$ 2,929,250	\$ 1,383,549
				% of Budget Used	48%	23%
				% of Budget Remaining	52%	77%

% Used v. % Remaining

FY 26 Period 6



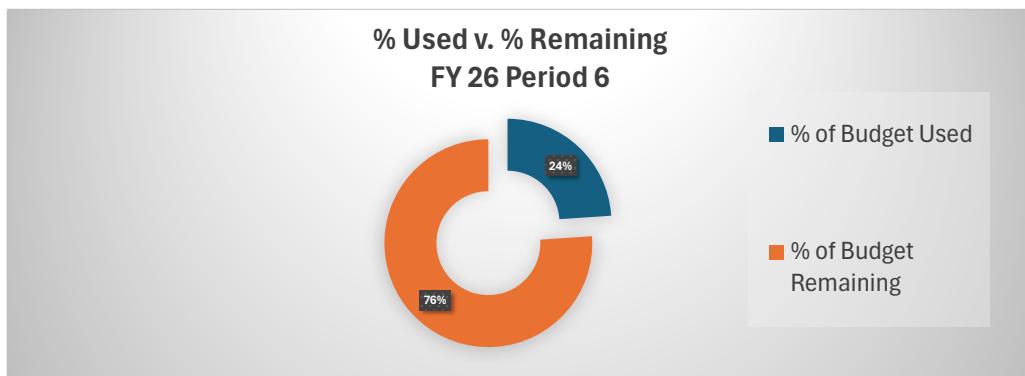
■ % of Budget Used

■ % of Budget Remaining

Statement of Earmarked Fund Revenues and Expenditures Fiscal Year 2026
Period 6 Ending 12/31/2025- 50% of Year elapsed

	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Revenues YTD FY25
Revenues						
38440000	4110090000	Hearing Fees		\$ 1,091,322	\$ 580,523	\$ 547,987
38440000	4160040000	Self-Ins Application Fee		\$ 7,350	-	-
38440000	4223030000	Filing Violations		\$ 1,985,476	\$ 963,884	\$ 786,494
38440000	4226020000	Settlements		\$ -	\$ -	\$ -
38440000	4350040000	Parking Fees		\$ 5,785	\$ 2,775	\$ 2,765
38440000	4350140000	WC Appeal Fees		\$ 32,251	\$ 5,050	\$ 6,770
38440000	4380020000	Training & Conference Registration		\$ 3,120	\$ -	\$ 1,105
38440000	4380050000	Photocopying Fees		\$ 25,300	\$ 8,329	\$ 7,362
38440000	4480020000	Sale of Services		\$ 3,120	\$ -	\$ 910
38440000	4480060000	Sale of Listings and Labels		\$ 1,625	\$ 1,900	\$ 1,250
38440000	4520010000	Refund Prior Year Expenditure		\$ -	\$ 225,981	\$ -
38440000	4530010000	Returned Checks		\$ -	\$ (700)	\$ -
38440000	4530020000	Adjustment of Agency Deposits		\$ -	\$ (50)	\$ 691
38440000	4530030000	Miscellaneous Revenue		\$ -	\$ 674	\$ -
Total Revenues				\$ 3,155,349	\$ 1,788,366	\$ 1,355,334
% of Budget Collected					57%	43%
% of Budget Outstanding					43%	57%
Expenditures	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Expenditures YTD FY25
38440000	501058	Classified Positions		\$ 160,000	\$ -	\$ 982,132
		Other Operating				
38440000	502000	Contractual Services		\$ -	\$ 326,241	\$ 340,567
		316 Photography	\$ 875.00			
		IT- Application Support	\$ 242.87			
		Verizon Internet	\$ 5,496.95			
		Verizon Hotspot	\$ 4,061.75			
		NWN	\$ 23,044.08			
		Segra	\$ 6,242.25			
		DTO	\$ 144,473.10			
		Verizon/ AT&T	\$ 7,709.52			
		FedEx	\$ 2,348.56			
		Legal Services	\$ 4,388.44			
		Transcripts	\$ 4,490.00			
		Ct. Reporters	\$ 44,613.10			
		Attorney Fees	\$ 3,631.50			
		Admin Shared Services MOU	\$ 19,500.00			
		Education & Training	\$ 75.00			
		Motorized Vehicle Services	\$ 49.00			
		General Repair	\$ 165.00			
		Sonitrol	\$ 17,214.54			
		Laundry Services	\$ 32.55			
		Junk King (Rubbish Removal)	\$ 800.00			
		OSA Audit Charges	\$ 269.46			
		Catering	\$ 1,179.36			
		Other Professional Services	\$ 10,412.74			
		Lionbridge	\$ 17.55			
		Chief Security	\$ 24,303.83			
		Shred America	\$ 605.00			
38440000	503000	Supply and Material		\$ -	\$ 102,656	\$ 63,887
		Office Supplies	\$ 19,718.79			
		Subscriptions (Lexis & Westlaw)	\$ 41,884.41			
		Custom Printed Materials	\$ 5,236.26			
		IT Software License and Support	\$ 4,202.88			
		IT Equipment & Supplies	\$ 1,376.99			
		IT Equipment & Supplies End User	\$ 1,202.46			
		IT Equipment & Supplies / Print & Copy	\$ 1,119.14			
		Postage	\$ 12,418.52			
		Communication Supplies	\$ 215.98			

Expenditures	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Expenditures YTD FY25
		Counsel Table Hearing Room Chairs (SCDC)	\$ 14,235.20			
		Security Alarm System Supplies	\$ 53.98			
		Gasoline	\$ 75.15			
		Instructional materials (Westlaw Library)	\$ 734.01			
		Promotional Materials	\$ 114.38			
		Other Supplies	\$ 67.45			
38440000	504000	Fixed Charges and Contributions		\$ -	\$ 265,978	\$ 216,297
		Rent- State Owned Property	\$ 120.00			
		PO Box Rent	\$ 4,344.00			
		Republic Parking	\$ 16,981.00			
		HUB Int'l-Cyber Insurance Policy	\$ 8,734.40			
		Dues & Membership Fees	\$ 8,888.00			
		Fees & Fines	\$ 3,500.00			
		Fees & Fines Background Checks (SLED)	\$ 26.00			
		Fees & Fines Licensing	\$ 171.20			
		Gallium (Rent)	\$ 219,554.99			
		Gallium (Interest)	\$ 3,658.57			
38440000	505000	Travel		\$ -	\$ 84,759	\$ 80,636
		In-State Meals	\$ 2,218.00			
		In-State Lodging	\$ 13,380.18			
		In-State Air	\$ 1,827.53			
		In-State Mileage	\$ 15,832.82			
		In-State Other	\$ 588.38			
		In-State Misc-Travel Expense	\$ 1,242.80			
		In-State Registration Fees	\$ 2,075.00			
		Subsistence	\$ 484.80			
		Out-of-State Meals	\$ 1,415.00			
		Out-of-State Lodging	\$ 7,190.34			
		Out-of-State Air Transport	\$ 3,725.87			
		Out-of-State Mileage	\$ 1,980.84			
		Out-of-State Other	\$ 1,826.04			
		Out-of-State Misc Travel	\$ 1,321.45			
		Out-of-State Registration Fees	\$ 6,444.00			
		State Fleet	\$ 23,206.02			
38440000	506000	Capital Equipment		\$ -	\$ 9,721	\$ -
		Point Security	\$ 9,721.20			
38440000	514000	Benefits and Claims			\$ 1,604	\$ 1,376
38440000	501070	Other Personal Services		\$ -	\$ 294	\$ 19,544
Total	512001	Other Operating		\$ 3,143,413	\$ 791,253	\$ 722,307
38440000	513000	Employer Contributions/WC Insurance		\$ 80,000	\$ 18,517	\$ 452,419
Total Expenditures				\$ 3,383,413	\$ 809,770	\$ 2,156,858
				% of Budget Used	24%	64%
				% of Budget Remaining	76%	36%
% Spend v. % Collected					45%	159%



TAB 10

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

January 12, 2026

To: Commissioners

From: Kristen McRee, Executive Director

Re: Approval of the State Average Weekly Wage for 2026

Attached is an updated letter from William Floyd, Director of the Department of Employment and Workforce certifying the average weekly wage for the preceding fiscal year, July 1, 2024, through June 30, 2025.

The recommendation is to approve \$1,189.94 retroactive to January 1, 2026, as the average weekly wage for 2026.

P.O. Box 995
1550 Gadsden Street
Columbia, SC 29202
dew.sc.gov



Henry McMaster
Governor

William H. Floyd, III
Executive Director

December 22, 2025

Executive Director Kristen S. McRee
Office of Executive Director
Workers' Compensation Commission
1333 Main Street
Columbia, SC 29202-1715

Re: Average Weekly Wage

Dear Executive Director McRee,

This is in reference to your correspondence dated December 15, 2025, in which you requested the average weekly wage.

This letter certifies that the average weekly wage for July 1, 2024, through June 30, 2025, as computed under South Carolina Department of Employment and Workforce Law was \$1,189.94.

If you should have any questions or need any further information, please contact Dr. Bryan Grady, Labor Market Information Department Assistant Executive Director, at 737-2658.

Sincerely,



William H. Floyd, III
Executive Director

WF/tcm

ES-8

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: **Kristen McRee, Executive Director**

DATE: **January 12, 2026**

RE: **2026 Medical Services Provider Manual**

Attached are preliminary summaries of proposed changes and analysis of the anesthesia conversion factor prepared by Fair Health. Commission staff has participated in several meetings over the past few months discussing potential changes to the manual. Please note that these reports are preliminary. As of the drafting of this memorandum CMS data has not yet been received.

In addition to the items addressed in the summaries, the Commission should consider whether to include a new treatment code for scalp cooling; whether to place a cap on independent medical evaluation fees; whether to adjust the current conversion factors for anesthesia and other services.

Commission staff is currently considering recommendations to include the additional treatment codes for scalp cooling; to place a \$1,500 cap on independent medical evaluation fees that includes graduated reimbursement up to \$2,000 based upon considerations of medical specialty, volume of records, geographic location, and number of affected body parts; and to maintain current conversion factors.

It is recommended that the Commissioners approve a motion to conduct a Public Hearing at the Commission Business Meeting on February 9, 2026, to receive public comment on proposed changes to the 2026 Medical Services Provider Manual.

The final approval of the updates to the 2026 Medical Services Provider Manual will be on the agenda for the Commission Business Meeting on March 16, 2026.

Preliminary Summary of Proposed Changes

2026 Medical Services Provider Manual

January 9, 2026

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 CPT® and HCPCS codes in the provider manual will be made current by including codes established for 2026 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 2026 MSPM. Page numbers refer to the pages in the South Carolina MSPM effective April 1, 2025.

There are very few substantive changes proposed for the 2026 MSPM. The following sections have no proposed changes:

- Part 1 Chapter I. Overview and Guidelines: Healthcare Common Procedure Coding System
 - Chapter III. Billing Policy
 - Chapter IV. Payment Policy
 - Chapter V. Completing and Submitting Claims
- Part 2 Section 2. Anesthesia
 - Section 4. Radiology
 - Section 5. Pathology and Laboratory
 - Section 7. Physical Medicine
 - Section 8. Special Reports and Services
 - Section 9. HCPCS Level II
 - Section 10. Pharmacy

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

Part I

Chapter II. General Policy

Copies of Records and Reports

- Page 7 – Delete “~~(See Appendix A for S.C. Code Section 42-15-95 and Regulation 67-1301.)~~” as reference is no longer needed.

Part II. Fee Schedule

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

- Page 35, Evaluation and Management Time – Proposed language more closely aligns the MSPM with CPT language.
 - **Delete:** “~~When time is being used to select the appropriate level of services for which time-based reporting of shared or split visits is allowed, the time personally spent by the physician and other qualified health care provider(s) assessing and managing the patient on the date of the encounter is summed to define total time. Only distinct time should be summed for shared or split visits (i.e., when two or more individuals jointly meet with or discuss the patient, only the time of one individual should be counted).~~”
 - **Insert:** If code selection is based on total time on the date of the encounter, the service is reported by the professional who spent the majority of the face-to-face or non-face-to-face time performing the service. For the purpose of reporting E/M services within the context of team-based care, performance of a substantive part of the MDM requires that the physician(s) or other qualified health care professional (s) made or approved the management plan for the number and complexity of problems addressed at the encounter and takes responsibility for that plan with its inherent risk of complications and/or morbidity or mortality of patient management. By doing so, a physician or other qualified health care professional has performed two of the three elements used in the selection of the code level based on MDM. If the amount and/or complexity of data to be reviewed and analyzed is used by the physician or other qualified health care professional to determine the reported code level, assessing an independent historian's narrative and the ordering or review of tests or documents do not have to be personally performed by the physician or other qualified health care professional, because the relevant items would be considered in formulating the management plan. Independent interpretation of tests and discussion of management plan or test interpretation must be personally performed by the physician or other qualified health care professional if these are used to determine the reported code level by the physician or other qualified health care professional.
- Page 37 – added “or authorized non-physician practitioner” to align the MSPM with current medical practice.
 - Physical Therapy Services, “A treating physician or authorized non-physician practitioner who sees an injured worker for the single purpose of monitoring the outcome of physical therapy may be paid for only one E/M service per week.”
 - Injectable Pharmaceuticals, “If the injection is part of an office visit where other services are provided and an office visit is billed, the physician or authorized non-physician practitioner will be paid only for the cost of the pharmaceutical but not for the injection fee. The injectable pharmaceutical must be billed using the appropriate HCPCS A, C, J, or Q code as listed in Section 9. HCPCS Level II.”

If the single purpose of an office visit is for the injection, the physician or authorized non-physician practitioner may be paid for the cost of the injectable pharmaceutical plus a fee for the injection but cannot be paid for an office visit. (See Injectable Pharmaceuticals in Section 6. Medicine, for complete information on billing for injections.)"

- Travel Reimbursement, "Physicians or authorized non-physician practitioners may be reimbursed for travel associated with depositions or other medical testimony."
- Supplies And Materials (CPT 99070), "Supplies and materials provided by the physician or authorized non-physician practitioner over and above those usually included with the office visit may be paid."

Section 3. Surgery

- Page 71 Musculoskeletal System – added "authorized non-physician practitioner" to align the MSPM with current medical practice.
 - "Restorative treatment or procedure(s) rendered by another physician or authorized non-physician practitioner following the application of the initial cast/splint/strap may be reported with a treatment of fracture and/or dislocation code.
A physician or authorized non-physician practitioner who applies the initial cast, strap, or splint and provides all fracture, dislocation, or injury care cannot separately report the application of casts and strapping codes. The first cast/splint or strap application is included in the treatment of a fracture and/or dislocation."

Section 6. Medicine and Injections

- Page 356 Psychological Services – Delete "~~(See CPT 2025 page xv for definition of other qualified health care provider.)~~" as the MSPM includes a listing of qualified providers making the reference unnecessary.

Analysis of Anesthesia Conversion Factor

January 9, 2026

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
- Anesthesia Society of America survey results
- Comparison to other states' workers' compensation fee schedules

The current anesthesia conversion factor is \$32.85, which was last increased in the 2023 South Carolina Medical Services Provider Manual (MSPM) from \$30.00. 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 increased the Medicare anesthesia conversion factor slightly in 2026 from 20.3178 to 20.599838 for qualifying alternative payment model participants and 20.49754 for non-qualifying participants. Qualifying participants are those physicians and practitioners that meet certain thresholds for participation. The new two-tiered reimbursement method is part of a quality and cost of care initiative required by statute and implemented by CMS for 2026. The South Carolina MSPM will only include one conversion factor for anesthesia however; both CMS conversion factors are included in this comparison. The South Carolina workers' compensation anesthesia conversion factor of \$32.85 is approximately 160% of the national CMS anesthesia conversion factor. The comparison below is based on the Medicare conversion factor published in the 2026 Final Rule.

	National Comparison for Anesthesia		South Carolina Comparison		
	Qualifying APM	Non-Qualifying APM	Anesthesia Qualifying APM	Anesthesia Non-Qualifying APM	Other Professional Services
SC 2025 Conversion Factor	\$32.85	\$32.85	\$32.85	\$32.85	\$52.00
2026 Medicare Conversion Factor	\$20.599835	\$20.49754	\$20.17 (CMS adjusted for SC)	\$20.07 (CMS adjusted for SC)	\$33.40 (CMS Qualifying APM)
Ratio	159.5%	160.3%	162.9%	163.7%	155.7%

Private Health Insurance

FAIR Health collects data from private payors 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 2024 through June 2025 and allowed benchmarks (Allowed Anesthesia) are based on allowed amounts from claims incurred from January through December 2024. These are the latest releases available at the time of developing this report.

Type	Release	Average	5th	10th	15th	20th	25th	30th	35th	40th	45th
Billed Anesthesia	Nov-25	152.23	61.89	76.11	88.10	104.53	116.49	124.75	137.09	149.45	154.72
Allowed Anesthesia	Aug-25	61.96	22.91	28.80	30.85	35.46	40.87	45.53	51.13	55.75	59.77
Type	Release	50th	55th	60th	65th	70th	75th	80th	85th	90th	95th
Billed Anesthesia	Nov-25	160.72	166.21	169.53	172.52	176.01	180.34	187.02	196.22	209.08	238.44
Allowed Anesthesia	Aug-25	62.42	66.75	70.18	73.21	75.35	78.49	83.32	87.00	88.06	106.07

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 \$62.42) is the median conversion factor value in private insurance data, and the average allowed conversion factor benchmark is \$61.96.

ASA Survey Results for Commercial Fees Paid for Anesthesia Services

The American Society of Anesthesiologists (ASA) surveys anesthesia providers across the country, asking them to report the conversion factors for up to five of their largest commercial managed care contracts. The study no longer provides state level data for South Carolina but does include South Carolina practice data in the major and minor geographical regions as well as at a national level. The full study can be found at [ASA Monitor](#).

The survey normalizes the conversion factor based on 15-minute time units, which is the same as used in the MSPM. The November 2025 study reports a national average commercial conversion factor of \$82.43, and a national median conversion factor of \$76.00 which was derived from the 2024 ASA Commercial Conversion Factor Survey. The chart below shows the low (25th percentile), median, average, and high (75th percentile) conversion factors nationally, for the southern region and for the southeast region according to the study.

	National	Southern Region	Southeast Region
Low	66.00	65.50	79.82
Median	76.00	78.63	95.00
Average	82.43	82.62	98.82
High	92.00	95.00	113.06

State Workers' Compensation Fee Schedules

FAIR Health reviewed anesthesia conversion factors documented in state workers' compensation fee schedules effective in 2025.

State	Conversion Factor (per 15-minute time unit)
South Carolina	\$32.85
Alabama	\$67.47
Arizona	\$61.00
Colorado	\$44.00
Florida	\$44.23*
Georgia	\$65.73*
Kentucky	\$78.53
Louisiana	\$50.00
Maryland	\$25.55

State	Conversion Factor (per 15-minute time unit)
South Carolina	\$32.85
Mississippi	\$75.00
North Carolina	\$58.20– first 60 min \$2.05 each add'l min
North Dakota	\$76.71
Ohio	\$40.76
Oklahoma	\$56.48
Tennessee	\$75.00
Vermont	\$34.25
Virginia (6 regions)	\$51.48 - \$82.59

* Converted to 15-minute time units from 10-minute time units

FAIR Health assists Arizona, Georgia, Kentucky, Mississippi, North Carolina, North Dakota, Ohio, Oklahoma, Tennessee and Vermont 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 MSPM anesthesia conversion factor is \$32.85 or 163% of the 2026 Medicare conversion factor for South Carolina and 160% of the national Medicare anesthesia conversion factor. This is a slightly lower percentage (2%-3%) when compared to the 2025 Medicare conversion factor due to slight increases in the Medicare conversion factor for 2026.
- The 160% ratio of the South Carolina MSPM anesthesia conversion factor to the national Medicare conversion factor is slightly greater than the 155% ratio of the conversion factor for other professional services.
- The average allowed conversion factor for South Carolina in private insurance is \$61.96 which is nearly double the MSPM conversion factor. The MSPM conversion factor falls between the 15th and 20th percentiles of allowed values which is consistent with 2025.
- Based on the 2025 ASA conversion factor survey results, the MSPM conversion factor is low when compared to the national and regional level conversion factors.
- South Carolina's conversion factor of \$32.85 is low when compared to other states' workers' compensation programs.

TAB 12

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

January 12, 2026

To: Kristen McRee, Executive Director
From: J. Keth Roberts, General Counsel

Re: Notice of Public Hearing on Proposed Regulations 67-206 & 67-1507

At the October 13, 2025, business meeting, the Commission approved the Notice of Drafting for regulations 67-206 and 67-1507. Thereafter, both regulations were published in the November state register. Due to the timing of the publication, the regulations are being considered at the business meeting this month to receive comments and revise the proposed language before filing with the Legislative Counsel.

The recommendation is to approve the proposed language in both regulations and transmit the same to the Legislative Counsel for consideration by the General Assembly.

To publish proposed regulations the following verification must be signed and returned to the Clerk of the State Register

VERIFICATION

This certifies that I have reviewed the text of this document and determined that it conforms to the text submitted by this agency to the Clerk of the State Register.

11/17/2025
Date


Reviewing Officer

Document No. 5430
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
CHAPTER 67
Statutory Authority: 1976 Code Section 42-3-30

67-206. Filing a Claim.

Preamble:

The purpose of this proposed regulation is to update and clarify procedures governing the filing of a claim with the South Carolina Workers' Compensation Commission. The amendments define acceptable forms for filing, set forth the requirements for letters of claim, and specify the responsibilities of employers and their representatives upon notice of filing.

Section-by-Section Discussion:

67-206.A. Strike "To file a claim" and replace with "Claimant."

The Notice of Drafting was published in the State Register on September 26, 2025.

Notice of Public Hearing and Opportunity for Public Comment:

Written comments may be sent to the South Carolina Workers' Compensation Commission, Attention: Legal Department, 1333 Main Street, Suite 500, Columbia, SC 29201, no later than 5:00 p.m. on December 29, 2025. A public hearing will be held on January 12, 2025, at 10:30 a.m., at least thirty (30) days following publication of this notice at the Commission's offices, 1333 Main Street, Suite 500, Columbia, SC 29201.

Preliminary Fiscal Impact Statement:

No significant fiscal impact is anticipated as a result of this amendment.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: Filing a Claim.

Purpose: To clarify and modernize procedures for filing claims with the Commission.

Legal Authority: 1976 Code Section 42-3-30.

Plan for Implementation: Upon final approval and publication in the State Register.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The regulation provides clear guidance for claimants, employers, and representatives regarding proper filing procedures, thereby improving administrative efficiency and ensuring consistent compliance.

DETERMINATION OF COSTS AND BENEFITS:

The benefits include improved clarity, uniformity, and timeliness in claim processing. No additional costs are expected.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETERRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

None.

Statement of Rationale:

The HLOC Committee recommended that the language of this regulation be revised for clarity and administrative accuracy. These amendments ensure consistent standards for filing and notification under the Workers' Compensation Act.

Text:

67-206. Filing a Claim.

A. ~~To file a claim, Claimant~~ file with the Commission's Claims Department a Form 50, Form 52, or a letter as provided below.

B. To file a claim on a Form 50 or Form 52, mark the box at the signature line which states "I am filing a claim. I am not requesting a hearing at this time."

(1) Address and deliver the form to the Claims Department.

(2) Filing a claim requires the WCC file number or the Coverage Coding Form 39 must be included. This requirement may be waived for unrepresented claimants.

(3) Filing a claim does not request a hearing nor is the employer's representative required to file a Form 51 or 53.

C. A letter filed with the Commission also files a claim. The letter should include the information listed in items (1) through (13) below:

- (1) Claimant's name (and worker's name, if different);
- (2) Claimant's address (and worker's address, if different);
- (3) Claimant's home and work telephone numbers (and worker's home and work telephone numbers, if different);
- (4) Claimant's social security number (and worker's social security number, if different);
- (5) Employer's name;
- (6) Employer's address;
- (7) Employer's telephone number;
- (8) Employer's insurance carrier, if known;
- (9) Date of injury;
- (10) The county in which the injury occurred;
- (11) Type of injury (to which area of body);
- (12) Description of the accident;
- (13) The WCC file number or Coverage Coding Form must be included.

D. Failure to include any of the information above does not bar the claim if the information necessary to an issue in the claim is given to the Commission upon request.

E. The Commission will notify the employer's representative a claim has been filed. The employer's representative shall immediately contact the claimant.

To publish proposed regulations the following verification must be signed and returned to the Clerk of the State Register

VERIFICATION

This certifies that I have reviewed the text of this document and determined that it conforms to the text submitted by this agency to the Clerk of the State Register.

Date _____

Reviewing Officer _____

Document No. 5431
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

CHAPTER 67

Statutory Authority: 1976 Code Sections 1-23-110(A)(1)(c), 42-3-30, and 42-5-20

67-1507. Proof of Compliance, Irrevocable Letter of Credit.

Preamble:

The purpose of this proposed regulation is to clarify procedures for the acceptance, administration, and revocation of irrevocable letters of credit as proof of compliance for self-insured employers. It provides updated guidance to ensure the Commission's ability to safeguard the payment of claims and maintain consistent standards of financial responsibility.

Section-by-Section Discussion:

67-1507.D.(4) – Delete.

67-1507.D.(5) – Delete.

67-1507.E. – Add all new text for E.

The Notice of Drafting was published in the State Register on March 28, 2025.

Notice of Public Hearing and Opportunity for Public Comment:

Written comments may be sent to the South Carolina Workers' Compensation Commission, Attention: Self-Insurance Division, 1333 Main Street, Suite 500, Columbia, SC 29201, no later than 5:00 p.m. on December 29, 2025. A public hearing will be held on January 12, 2025, at 10:30 a.m., at least thirty (30) days following publication at the Commission's offices, 1333 Main Street, Suite 500, Columbia, SC 29201.

Preliminary Fiscal Impact Statement:

No significant fiscal impact is anticipated. This amendment codifies existing practice.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: Proof of Compliance, Irrevocable Letter of Credit.

Purpose: To clarify procedures for self-insurance compliance using irrevocable letters of credit.

Legal Authority: 1976 Code Sections 1-23-110(A)(1)(c), 42-3-30, and 42-5-20.

Plan for Implementation: Upon final approval and publication in the State Register.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The amendments clarify the regulatory framework governing proof of compliance through letters of credit, providing additional protections for claimants and ensuring financial security of self-insurers.

DETERMINATION OF COSTS AND BENEFITS:

The regulation ensures administrative clarity and uniformity without creating new financial burdens.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

None.

Statement of Rationale:

The HLOC Committee recommended revisions to ensure clarity, remove obsolete references, and align procedural requirements with current Commission practice for irrevocable letters of credit.

Text:

67-1507. Proof of Compliance, Irrevocable Letter of Credit.

A. The Commission in its discretion may accept a Form 8B, Proof of Compliance, Memorandum of Understanding and Irrevocable Letter of Credit, as proof of compliance instead of a surety bond or securities. The Commission will determine the amount as provided by R.67-1505A.

B. The applicant for self-insurance shall file the Form 8B with the Commission's Self-Insurance Division within the time provided in R.67-1502B.

C. The following provisions shall apply to a letter of credit.

(1) The letter of credit must be issued by a bank chartered in this State or a federally chartered bank with a branch office in this State.

(2) The bank shall offer the irrevocable letter of credit by completing a Form 8B.

(3) The South Carolina Workers' Compensation Commission shall be the named beneficiary.

(4) A proposed letter of credit must be approved by the Commission before the Commission issues a Form 9, Certificate for Self-Insurance.

D. Once an irrevocable letter of credit is established, it may be revoked only with the consent of the Commission.

(1) The Self-Insurance Division may grant consent only when the self-insurer offers proof of the purchase of a surety bond, pledges securities or obtains another irrevocable letter of credit.

(2) Expiration or cancellation of a letter of credit is effective only after sixty days written notice filed with the Self-Insurance Division.

(3) The self-insurer shall file notice of the replacement to the Self-Insurance Division in writing by certified mail.

~~(4) When the self insurer fails to replace the letter of credit with another accepted proof of compliance, the Commission may demand payment of the letter of credit and deposit the proceeds in the South Carolina State Treasurer's Office to guarantee payment of any claim occurring during the self insured period.~~

~~(5) The Commission may exercise the letter of credit at any time if the proceeds are needed for payment of a claim that occurred during the self insured period.~~

E. When a self-insurer loses or withdraws its privilege of self-insurance or the Self-Insurance Division determines the self-insurer is unable or unwilling to secure the payment of its liability under the Act, the commission may demand payment of the letter of credit to guarantee payment of any claim occurring during the self-insured period.

(1) The Commission may release the funds received from the letter of credit, or any part thereof, when the Commission determines that all contingent liability arising during the period of self-insurance has expired.

(2) The Commission may release the securities, or any part thereof, by notifying the bank holding the securities in trust to release the pledged securities.

(3) The self-insured employer, fund, or the issuing bank may request the release of securities or any part thereof by writing to the Self-Insurance Division.

(a) The Self-Insurance Division will notify the employer or fund of its administrative determination.

(b) If the employer or fund disagrees with the Self Insurance Division's determination, the employer or fund may request a hearing by filing a motion for hearing, according to R. 67-215. The parties proceed according to Article 6.

October 9, 2025

VIA E-MAIL: gcannon@wcc.sc.gov

Gary M. Cannon
Executive Director
South Carolina Workers' Compensation Commission
PO Box 1715
Columbia, SC 29202-1715

RE: South Carolina Workers' Compensation Commission Proposed Regulations

Dear Mr. Cannon:

Please allow this letter to serve as my comments to the proposed amendments to existing Regulations 67-411 and 67-206 of the South Carolina Workers' Compensation Commission.

First, the proposed amendments to Regulations 67-411 and 67-206 are inconsistent with current statutory law and established case law. The current understanding of statutory law in South Carolina at this time is that the employer is only responsible for reporting injuries and notifying employees of their rights under the South Carolina Workers' Compensation laws. The employee, not the employer, is responsible for filing a claim with the Workers' Compensation Commission. Current statutory authority states that “[a]ny employee covered by the provisions of this title is authorized to file his claim under the laws of the state where he is hired, the state where he is injured, or the state where his employment is located.” S.C. Code Ann. § 42-15-10. Section 42-15-20 states that “[e]very injured employee or his representative immediately shall on the occurrence of an accident, or soon thereafter as practicable, give or cause to be given to the employer a notice of the accident.” S.C. Code Ann. § 42-15-20(A).

South Carolina case law also distinguishes a report by an employer from a filing of a claim by an employee for compensation. *See Ashe v. Rock Hill Hardware Co.*, 219 S.C. 159, 164, 64 S.E.2d 396, 398 (1951). The Supreme Court of South Carolina explains that “[s]ections 7035-25 and 7035-26 provide for the initial report of an injury to the employer. Their purpose is to enable the employer to investigate the claim and to give prompt medical attention if necessary.” *Id.* The South Carolina Supreme Court further explains that “[t]he filing with the Commission of a claim for compensation is an altogether different requirement, its object being to protect employers and their insurance carriers against long delayed demands.” *Id.* Sections 7035-25 and 7035-26 correspond to current South Carolina Code sections 42-15-10 and 42-15-20.

Case law also explains that filing reports by employers “do not constitute the filing of a claim as required by the statute” because an “employer is required to make those reports even though no claim for benefits has been made.” *Burnhart v. Dunean Mills*, 214 S.C. 113, 119, 51 S.E.2d 377, 380 (1949). “If such reports were always sufficient to constitute the filing of a claim, it would never be necessary for the employee to comply with the statutory requirement as to filing claims within one year after the accident.” *Id.* Also, in *Hucks v. Green’s Fuel of S.C.*, 247 S.C. 457, 462, 148 S.E.2d 149, 151 (1966), the Supreme Court held that “filing of the aforesaid report by the employer did not constitute the filing of a claim for compensation within one year of the accident.” *Id.*

Further, the Workers’ Compensation Commission also shares the same understanding of a distinction between the employer making a report of an injury and an employee filing a claim with the Commission. An order from the Workers’ Compensation Commission explains that:

A number of cases have been brought before many Courts questioning whether or not the employers’ reports to the Workers’ Compensation Commission on the employee’s injury replaced or waived the necessity of the employee’s filing a claim within the statutory period. A close review of these cases make it clear that the mere filing of reports by the employer does not replace the necessity of the employees filing their own claims.

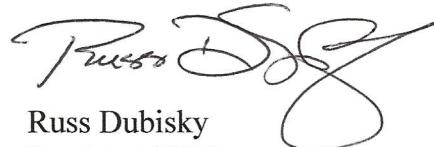
Onyenwe v. Life Care Ctr., Emp. & Ins. Co. State of Pa., No. 9512602, 1999 WL 33223937, at *2 (S.C. Work. Comp. Comm. Jan. 28, 1999). Thus, the report of an injury by an employer is distinct from the employee’s filing of a claim with the Commission, as the statute requires the employee to file such a claim with the Commission.

Second, the proposed changes to the South Carolina Workers’ Compensation Commission Regulations are inconsistent with other states in the region that follow similar statutory law. The interpretations of neighboring states in the region are that it is the employee’s obligation to file the claim with the Workers’ Compensation Commission. *See Gore v. Myrtle/Mueller*, 362 N.C. 27, 34, 653 S.E.2d 400, 406 (2007) (“The claim is the right of the employee, at his election, to demand compensation for such injuries as result from an accident. . . . In order to invoke this right, however, the worker ‘must notify his employer within thirty days after the accident . . . [and] must file a claim with the Commission within [the statutory period] after the accident.’”); *see also Slattery Assocs., Inc. v. Hufstetler*, 161 Ga. App. 389, 391, 288 S.E.2d 654, 657 (Ga. Ct. App. 1982) (“To be compensable, an ‘accident’ claim must be filed within one year of the original job-related incident of which the employer was timely notified and requires a causal connection between the conditions under which the work was required to be performed and the injury which forms the basis for the claim.”).

Third, the proposed changes to existing Regulations 67-411 and 67-206 of the South Carolina Workers' Compensation Commission could have unintended negative consequences for employers. Changing the current law to make an employer's filing of a WCC Form 12A constitute a filing with the Commission will result in an increase in claim frequency for employers and an increase in reserves to handle the increase of claim filings. The responsibility to file a claim with the Commission rests solely with the employee, not the employer. Changing the Regulations to place this responsibility on the employer will likely cause employers to experience negative consequences.

In sum, my concerns are that the proposed changes are inconsistent with current statutory law and established case law in South Carolina, that the proposed changes are inconsistent with the current law of other neighboring states in the region, and that the proposed changes could have unintended negative consequences for employers.

Yours truly,



Russ Dubisky
President/CEO
S.C. Coalition for Lawsuit Reform



October 9, 2025

VIA ELECTRONIC MAIL g cannon@wcc.sc.gov

Gary M. Cannon, Executive Director
South Carolina Workers' Compensation Commission
1333 Main Street, Suite 500
Columbia, SC 29202-1715

RE: Proposal to Amend Regulations 67-206 and 67-411

Dear Director Cannon:

I am writing on behalf of the American Property Casualty Insurance Association (APCIA) whose members write a large percentage of the workers' compensation insurance premiums in South Carolina. We appreciate the opportunity to provide comments in response to the Commission's proposal to amend the above-referenced regulations to provide that the filing of Form 12A First Report of Injury by an employer or insurer will be treated as filing a claim with the Commission (as recommended by the South Carolina House Legislative Oversight Committee).

APCIA opposes this proposal, which is contrary to longstanding precedent, would needlessly and dramatically increase the number of formal claims, and effectively eliminate the existing 2-year statute of limitations for the filing of a workers' compensation claim.

Under current law, an employer or their insurer must file a Form 12A First Report of Injury after receiving notice of an injury. While the First Report of Injury is used to acknowledge the incident and determine future deadlines, it has never been deemed sufficient to initiate a claim. Rather, to initiate a workers' compensation claim an employee must file a claim within 2 years of the injury.

As the Commission has noted, the South Carolina Supreme Court has considered "whether or not the employers' reports to the Workers' Compensation Commission on the employee's injury replaced or waived the necessity of the employee's filing a claim within the statutory period. A close review of these cases make it clear that the mere filing of reports by the employer does not replace the necessity of the employees filing their own claims." (*Onyenwe v. Life Care Ctr., Emp. & Ins. Co. State of Pa*, W.C.C. File No. 9512602, January 28, 1999 (1999 WL 33223937)).

Notably, most Form 12A filings do not result in a formal claim and dispute resolution process. This is extremely critical for a healthy, efficient, and functioning workers' compensation system. The Commission's proposal to treat the employer's mandatory Form 12A filing as initiating a formal claim would needlessly complicate the treatment and handling of workplace injuries.

Moreover, the South Carolina Supreme Court has held that doing so would effectively eliminate the applicable statute of limitations, noting:

The employer is required to make these reports even though no claim for benefits has been made. If such reports were always sufficient to constitute the filing of a claim, it would never be necessary for the employee to comply with the statutory requirement as to filing claims within "the statute of limitations. (*Burnhart v. Duncan Mills*, 214 S.C. 113, 119, 51 S.E.2d 377, 380 (1949).

The proliferation of formal claims and disputes and the effective elimination of the statute of limitations could threaten the health and stability of the South Carolina workers' compensation system. For these reasons, the Commission should abandon the proposal to revise its regulations.

Sincerely,



Ron Jackson
Vice President, State Government Relations
Southeast Region

October 9, 2025

Michael E. Chase
Email: MChase@TurnerPadget.com
Writer's Direct Dial: 803-227-4241

Via Email – gcannon@wcc.sc.gov

Gary Cannon
Executive Director
South Carolina Workers' Compensation Commission
1333 Main Street, Suite 500
Columbia, SC 29202

Dear Mr. Cannon:

As Legal Advisor to the South Carolina Employers Advocacy Association (formerly the South Carolina Self Insurers Association), I write on behalf of the Association to respectfully object to the proposed amendments to S.C. Code Ann. Regs. 67-206 and 67-411.

The proposed amendments would, essentially, eradicate the protection of the Statute of Limitations defense, which is one of the limited number of affirmative defenses available to employers in our State.

Historically, neither the South Carolina Workers' Compensation Act, S.C. Code Ann. §§ 42-1-10 to —19-50 (2015 and Supp. 2025), nor the Commission's regulations have recognized an employer's First Report of Injury (Form 12A) under Regulation 67-411 as the "filing of a claim" under Regulation 67-206. *See, e.g., Tucker v. S.C. DOT*, 427 S.C. 299, 302 n.2, 831 S.E.2d 426, 427 n.2 (2019) ("After the amendment, the common practice to file a claim was a claimant would file a Form 50 and 'check[] the box opposite line 13a' indicating no hearing was requested. 'When the claim [became] ripe for adjudication, the claimant [w]ould file a new Form 50 . . . marking the box opposite line 13b . . . requesting a hearing.'") (citations omitted).

Indeed, this axiomatic precept is consistent with the South Carolina Supreme Court's decision in *Burnhart v. Dunean Mills*, 214 S.C. 113, 51 S.E.2d 377 (1949), which remains controlling authority. In *Burnhart*, the Court held that an employer's report of injury does not toll the statute of limitations where the claimant has not filed a claim for benefits, explaining that if an employer's report were sufficient to constitute the filing of a claim, employees would have no incentive or obligation to comply with the filing requirement within the limitations period then in effect. *Id.* at 51 S.E.2d at 380; *see also Ashe v. Rock Hill Hardware Co.*, 219 S.C. 159, 164, 64 S.E.2d 396, 398 (1951) (Recognizing that a first report of injuries enables "the employer to investigate the claim and to give prompt medical attention if necessary. The filing with the Commission of a claim for compensation is an altogether different requirement, its object being to protect employers and their insurance carriers against long delayed demands.").

10/09/2025

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Moreover, the proposed revisions also appear to contradict the more recent holding of the South Carolina Supreme Court in *Hucks v. Green's Fuel of S.C.* wherein the Court held “the filing of a report by the employer and carrier did not constitute the filing of a claim for compensation” within the applicable statute of limitations. *Hucks v. Green's Fuel of S.C.*, 247. S.C. 457, 148 S.E.2d 149 (S.C. 1966).

Indubitably, the proposed amendments would contravene this settled framework recognized in *Burnhart* and its progeny and, in practical effect, eliminate the two-year statute of limitations defense under S.C. Code Ann. § 42-15-40 in most circumstances by tolling the limitations period whenever a Form 12A is filed. The additional language reportedly suggested by the House Oversight Committee—providing that a “claim” remains “filed” even after a denial—would further compound the problem by extending tolling indefinitely. Given the volume of Form 12A filings submitted annually by our members, these changes would have significant and adverse consequences whenever the two-year statute of limitations would otherwise bar a claim.

A brief comparison to neighboring jurisdictions underscores the prudence of the current South Carolina approach. North Carolina, Georgia, and Virginia all maintain procedures under which a first report of injury does not constitute the filing of a claim. Aligning South Carolina with a contrary rule would create inconsistency with regional practice and unsettle long-held expectations among employers, carriers, and claimants. *See Stephen v. Avins Const. Co.*, 324 S.C. 334, 340, 478 S.E.2d 74, 77 (Ct. App. 1996) (underscoring that “South Carolina adopted large portions of the North Carolina Workers’ Compensation legislation.”).

For these reasons, and to preserve the balance struck by the Workers’ Compensation Act between prompt reporting of injuries and timely filing of claims, the Association respectfully objects to the proposed amendments to Regulations 67-206 and 67-411 *in toto*.

With kind regards,

I’m very truly yours,



Michael E. Chase, Esq.
Legal Advisor
South Carolina Employers Advocacy Association

MEC/dps