

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201
October 13, 2025 10:30 a.m.

Meeting to be held in Hearing Room A

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

Join Zoom Meeting

<https://us02web.zoom.us/j/8249297108?pwd=akcwMkMxSnYzQWFxdEs4V2x6UWtyUT09&omn=89417879364>

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 OCTOBER 13, 2025 | CHAIRMAN BECK |
| 3. APPROVAL OF MINUTES OF THE REGULAR BUSINESS MEETING
SEPTEMBER 15, 2025 (Tab 1) | CHAIRMAN BECK |
| 4. RECOGNITION - EMPLOYEES' BIRTHDAYS, SERVICE AWARDS | CHAIRMAN BECK |
| 5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2)
A. Self-Insurance Department Report | MS. MARCUS |
| 6. DEPARTMENT DIRECTORS' REPORTS
Administrative Services (Tab 3)
Financial Report (Tab 4)
Information Services (Tab 5)
Insurance and Medical Services (Tab 6)
Claims (Tab 7)
Judicial (Tab 8) | MS. MCREE
MS. MCREE
MR. PLUSS
MR. DUCOTE
MS. SPANN
MS. BRACY |
| 7. DEPARTMENT OF VOCATIONAL REHABILITATION
Monthly Report (Tab 9) | MR. CANNON |
| 8. EXECUTIVE DIRECTOR'S REPORT (Tab 10) | MR. CANNON |
| 9. OLD BUSINESS
Proposed Amendment to R 206 and R 211(Tab 11) | CHAIRMAN BECK |
| 10. NEW BUSINESS | CHAIRMAN BECK |
| 11. EXECUTIVE SESSION | CHAIRMAN BECK |
| 12. ADJOURNMENT | CHAIRMAN BECK |

Table of Contents

1	Approval of Minutes of Business Meeting of September 13, 2025
2	Self-Insurance
3	Administrative Services
4	Financial Report
5	Information Services
6	Insurance & Medical Services
7	Claims
8	Judicial
9	Vocational Rehabilitation
10	Executive Director's Report
11	New Business
12	Old Business

TAB 1

THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING MINUTES

September 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, September 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
CYNTHIA DOOLEY, COMMISSIONER
MICHAEL CAMPBELL, COMMISSIONER
GABE COGGIOLA, COMMISSIONER

Present also were Keith Roberts, General Counsel Attorney; Kristen McRee; Administrative Director, Wayne Ducote, IMS Director; Amy Bracy, Judicial Director; Kris Pluss, IT Director; Chris Crump, IT Consultant; Francina Johnson, IT Consultant; Blanca Marcus, Interim Self-Insurance Director; Eric Baxley, Staff Attorney; and Jivon Adams, Public Information Coordinator. Peggy Hohertz-Enlyte, Jerod Burghardt, a representative from D1C and a representative from IWA participated by zoom.

Chairman Beck called the meeting to order at 10:32 a.m.

AGENDA

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

APPROVAL OF MINUTES – BUSINESS MEETING OF AUGUST 25, 2025

Commissioner McCaskill moved that the minutes of the Business Meeting of August 25, 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 September 2025.

SELF-INSURANCE

Ms. Marcus presented her report. One (1) prospective member of One (1) fund was presented to the Commission for approval. The application was:

Palmetto Timber Fund Clear Pond Logging LLC

After examination of the application, it was determined that the application was complied with the Commission's requirement and was recommended for approval.

Commissioner Campbell made the motion to approve the application to self-insure. Commissioner Coggiola seconded the motion to approve the application 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

Mr. Cannon presented Ms. Spann's report in her absence 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

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

EXECUTIVE DIRECTOR'S REPORT

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

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

EXECUTIVE SESSION

Commissioner Taylor made a motion to go into executive session. Commissioner Campbell seconded the motion. Motion passed.

The Commission entered executive session at 10:57.

Commissioner Taylor made the motion to leave executive session, Commissioner Campbell seconded the motion. Motion passed and the Commissioner returned to open session at 11:24 AM.

Commissioner Taylor made the motion to appoint Kristen McRee as Executive Director effective November 1, 2025, Commissioner Campbell seconded the Motion. Motion passed.

ADJOURNMENT

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

The September 15, 2025 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:26 AM.

Reported September 29, 2025.
Arnisha Keitt
Executive Assistant

TAB 2

TAB 3

State of South Carolina

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Workers' Compensation Commission

To: Gary Cannon, SCWCC Executive Director
From: Kristen McRee, Director of Administrative Services
Date: October 13, 2025
Subject: Administrative Department September 2025 Full Commission Report

This report summarizes the Human Resources, Procurement, Finance, Budget & Privacy initiatives during September 2025.

I. Human Resources

Hiring Recruitment & Retention

The recruitment for the vacant Attorney II position in the legal department continued through the month of September. Due to an inadequate candidate response, the position was reposted on September 23, 2025, and republished to staff. The job advertisement will run until October 13, 2025, at which time all applicants will be evaluated, and interviews will be scheduled as requested by the General Counsel's Office beginning October 14, 2025. To date, we have received 3 applications in response to the job advertisement. Human Resources is continually evaluating other recruitment strategies.

In addition to the recruitment activities in the legal department, Human Resources initiated a recruitment to fill an upcoming vacancy in the Administrative Services Department. The Director of Administrative Services position was posted and advertised to staff on September 23, 2025. Human Resources received 44 applications for the position. Interviews were conducted beginning October 1, 2025, and a candidate was selected. The successful candidate will be onboarded on November 3, 2025.

Reporting

EPMS forms for the October 2026 EPMS cycle were launched for staff covered by the State Employee Grievance Act. Covered employees were also provided with additional information relating to the September 30, 2025, deadline for the October 2025 annual reviews. The department assisted with questions from staff and administrative tasks relating to the correct routing of EPMS forms throughout the month.

The Commission's Human Resources Department is subject to audit by the Department of Administration Division of Human Resources (SC DSHR) every 2 years. The 2-year evaluation was conducted on September 25, 2025, pursuant to the agencies' delegation agreement. The department collected all information requested and provided it to the SC DSHR consultant in preparation for the audit. There were no reported findings. The next audit will be held in 2027.

Policy Updates

On September 11, 2025, the Governor issued an executive order directing SC DSHR to adopt updated telecommuting and remote work policies. As directed by the executive order, Human Resources reviewed the updated procedures and model policies and prepared a draft telecommuting policy for leadership review and submission to SC DSHR for approval.

In addition to the Human Resources activities referenced above, the office also participated in 1 meeting with the Senate Legislative Oversight Committee, a PEBA open enrollment meeting and an employer advocacy meeting, several meetings with the Department of Administration relating to the office renovation project, a fraud training, a meeting with SC DSHR to discuss the new telecommuting policies and procedures, and coordinated a vendor site visit with Washington National and a flu shot clinic for staff.

II. Procurement

The Commission continues to coordinate with the South Carolina Department of Administration's Procurement and Construction Management Services to obtain office renovation services. The approved architectural renderings and a request for quotes was submitted to 4 vendors on September 15, 2025. A pre-quote conference was held on September 23, 2025. The deadline to submit quotes is October 6, 2025. Construction is estimated to begin in October of November.

Administrative Services also participated in a P-card audit with Department of Administration Procurement Shared Services as mandated by budget proviso 104.10. Requested disclosures were provided at the beginning of September. The audit revealed 1 finding related to training for P-card holders. Admin Procurement Shared Services is responsible for assigning trainings and will begin a new course of trainings for P-card holders in October 2025.

The office continues to participate in other procurements such as the ordering of new furniture as needed (lobby chairs, hearing room chairs, courtroom furniture, and related items). It participated in one vendor meeting to discuss the use of cell phone faraday pouches to prevent recording and telephonic communications in the courtrooms.

The Commission's metal detector was installed on October 1, 2025.

III. Finance & Budget

The office continues to meet with the Department of Administration's Budget and Finance Team to discuss budgetary matters for the current and upcoming budget cycle. Administrative Services completed the agency's FY26-27 budget request package and submitted the request to

the executive budget office on September 23, 2025. The Commission's detail budget will be submitted through the budget development system (BDS) at the beginning of October. The office also assisted with the drafting of the Agency's annual report and strategic plan. The AAR was submitted timely on September 15, 2025.

In addition to the activities listed above, Administrative Services continues to monitor the timely processing of invoices for payment and reconciles the Yellow Truck Fund.

IV. Privacy

The department's privacy program initiative is still in the development stages. A privacy program plan template was received and is under review and edit. However, due to the staff departure in the Legal Department, the project timeline on this initiative will be reassessed. The department attended one meeting with the Enterprise Privacy Office (EPO) in September to provide a project status update.

TAB 4

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Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

FROM: Kristen McRee, Director of Administrative Services

DATE: October 13, 2025

RE: FINANCIAL REPORT – FY Period ending September 30, 2025

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the fiscal year period ending September 30, 2025. The benchmark for this period is 25%.

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

The total expenditure for the General Fund year-to-date is \$1,499,145 or 25% 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 balances of the funds appropriated by the General Assembly for the IT System Modernization Project has decreased 9% to \$1,548,456 from its original balance of \$1,695,084 because of expenses related to the IT Legacy System upgrades. The balance of the non-recurring appropriation funds for the IT System Project remains stable at \$1,000,000.

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

The Earmarked Fund (38440000) total expenditures year-to-date are \$565,582 which is 17% of budget.

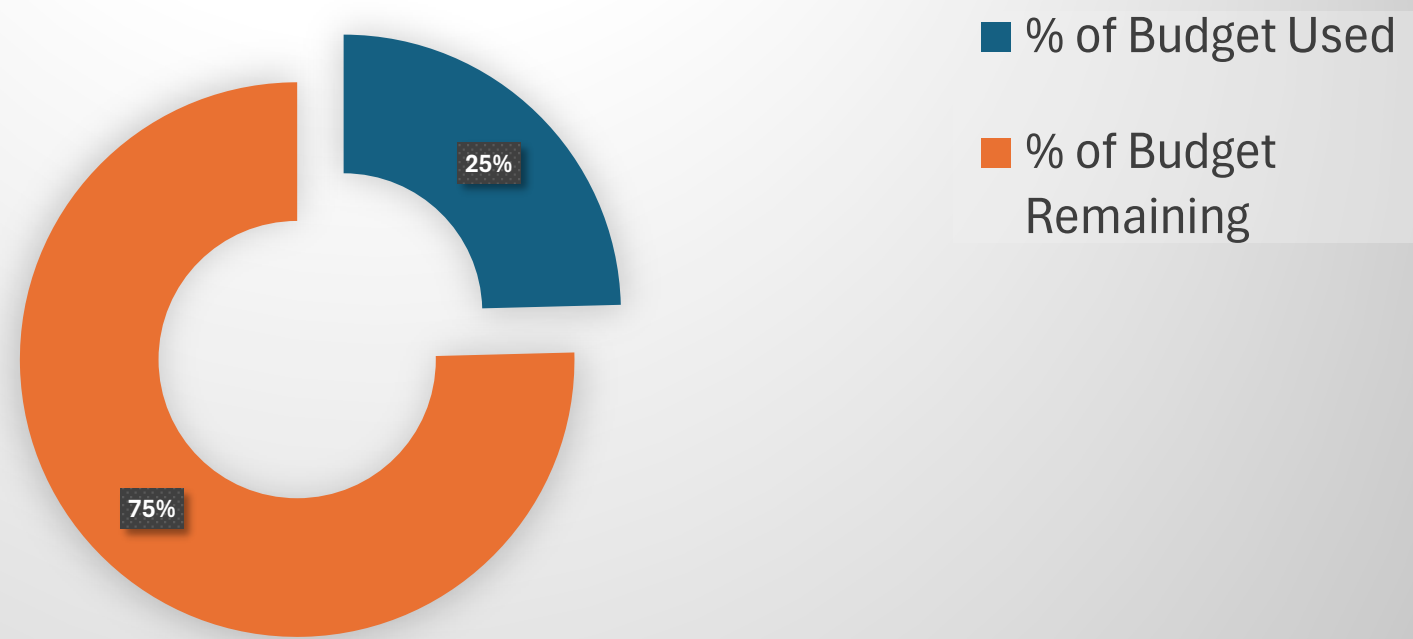
Revenues – Earmarked Annual Budget \$3,155,349

The Commission posted \$816,593 in Earmarked Fund operating revenues year-to-date, which is 26% of the annual budget.

Statement of General Fund Expenditures and Revenues Fiscal Year 2026
Period 3 Ending 9/30/2025 - 25% 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	\$ 48,574	\$ 47,622
	10010000	501033	Commissioners		\$ 1,131,810	\$ 282,952	\$ 277,405
	10010000	501015	Director		\$ 160,331	\$ 40,085	\$ 39,299
	10010000	501058	Classified Positions		\$ 2,849,811	\$ 648,885	\$ 121,354
			Admin	\$ 562,760			
			AA's	\$ 454,953			
			Claims	\$ 325,313			
			IMS	\$ 432,832			
			Judicial	\$ 534,082			
			Self-Insurance	\$ 115,400			
			IT	\$ 424,471			
Total Payroll:					\$ 4,336,248	\$ 1,020,496	\$ 485,680
	10010000	501050	Taxable Subsistence		\$ 75,000	\$ 22,836	\$ 17,546
	10010000	501070	Other Personnel Services		\$ 75,000	\$ 10,703	
	10010000	503000	Supply and Material				\$ 4,042
	10010000	513000	Employer Contributions		\$ 1,730,765	\$ 445,110	\$ 197,780
Total Expenditures						\$ 1,499,145	\$ 705,048
				% of Budget Used	25%		12%
				% of Budget Remaining	75%		88%

% Used v. % Remaining
FY 26 Period 3

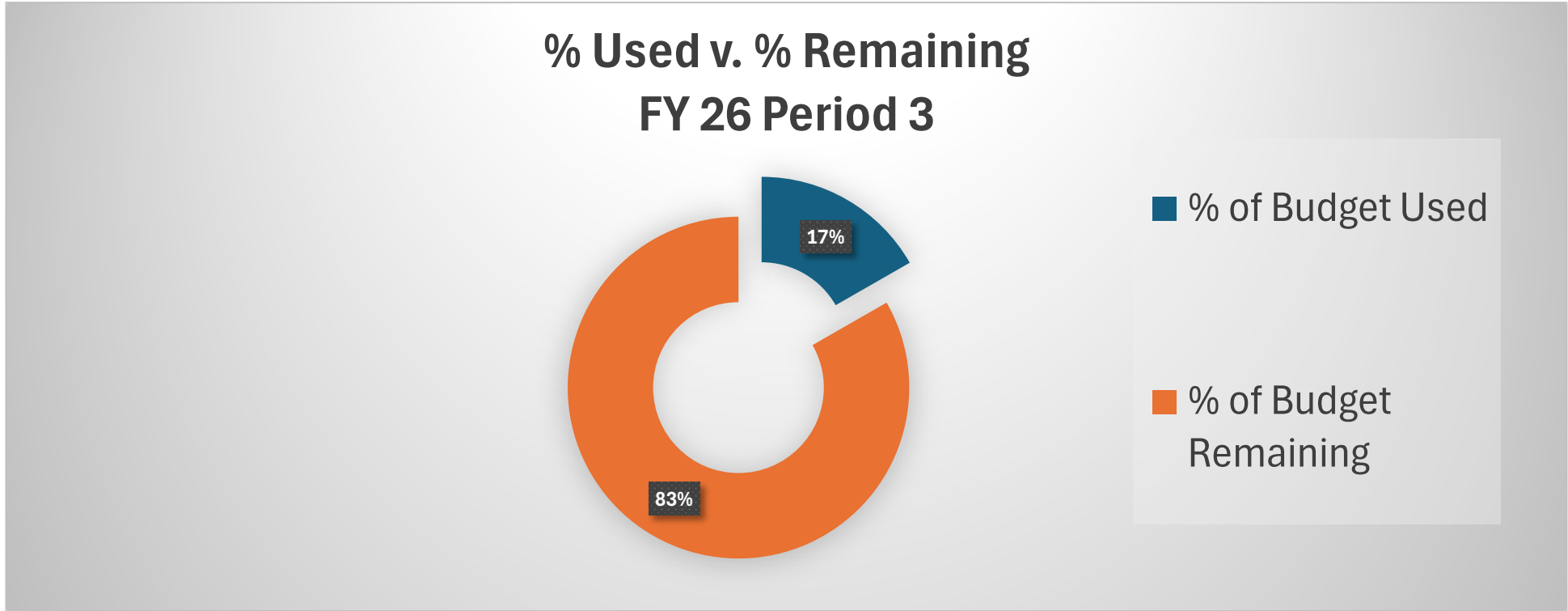


Statement of Earmarked Fund Revenues and Expenditures Fiscal Year 2026

Period 3 Ending 9/30/2025- 25% of Year elapsed

	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Revenues YTD FY25
Revenues						
38440000	4110090000	Hearing Fees		\$ 1,091,322	\$ 291,323	\$ 269,369
38440000	4160040000	Self-Ins Application Fee		\$ 7,350	-	-
38440000	4223030000	Filing Violations		\$ 1,985,476	\$ 514,381	\$ 436,346
38440000	4226020000	Settlements		\$ -	\$ -	\$ -
38440000	4350040000	Parking Fees		\$ 5,785	\$ 1,405	\$ 1,395
38440000	4350140000	WC Appeal Fees		\$ 32,251	\$ 3,000	\$ 4,370
38440000	4380020000	Training & Conference Registration		\$ 3,120	\$ -	\$ 1,105
38440000	4380050000	Photocopying Fees		\$ 25,300	\$ 4,610	\$ 3,642
38440000	4480020000	Sale of Services		\$ 3,120	\$ -	\$ 910
38440000	4480060000	Sale of Listings and Labels		\$ 1,625	\$ 1,500	\$ 1,050
38440000	4530010000	Returned Checks		\$ -	\$ (250)	\$ -
38440000	4530020000	Adjustment of Agency Deposits		\$ -	\$ (50)	\$ (200)
38440000	4530030000	Miscellaneous Revenue			\$ 674	
Total Revenues				\$ 3,155,349	\$ 816,593	\$ 717,987
% of Budget Collected					26%	23%
% of Budget Outstanding					74%	77%
Expenditures	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Expenditures YTD FY25
38440000	501058	Classified Positions		\$ 160,000	\$ -	\$ 481,793
		Other Operating				
38440000	502000	Contractual Services		\$ -	\$ 206,649	\$ 153,164
		316 Photography	\$ 875.00			
		IT Data Network Expenses	\$ 11,249.15			
		Verizon Internet	\$ 1,735.26			
		Verizon Hotspot	\$ 1,639.15			
		NWN	\$ 12,560.65			
		Segra	\$25.80			
		DTO	\$ 107,114.98			
		Verizon/ AT&T	\$ 2,952.03			
		FedEx	\$ 445.62			
		Legal Services	\$ 1,769.50			
		Legal	\$ 4,332.50			
		Transcripts	\$ 1,412.50			
		Ct. Reporters	\$ 23,609.85			
		Admin Shared Services MOU	\$ 9,750.00			
		Sonitrol	\$ 16,009.54			
		Laundry Services	\$ 32.55			
		Other Professional Services	\$ 2,459.80			
		Chief Security	\$ 8,487.38			
		Shred America	\$ 187.50			
38440000	503000	Supply and Material		\$ -	\$ 126,571	\$ 28,683
		Office Supplies	\$ 9,720.59			
		Subscriptions (Lexis &	\$ 23,802.49			
		Verisk	\$ 2,700.00			
		IT Software License and Support	\$ 86,050.99			
		IT Equipment & Supplies	\$ 809.99			
		IT Equipment & Supplies End User	\$ 1,202.46			
		IT Equipment & Supplies / Print & Copy	\$ 1,044.17			
		Postage	\$ 245.66			
		Communication Supplies	\$ 161.99			

Expenditures	Commitment Item	Account		Budget FY26	FY26 YTD Actual	Expenditures YTD FY25
		Instructional materials (Westlaw Library)	\$ 718.03			
		Promotional Materials	\$ 114.38			
38440000	504000	Fixed Charges and Contributions		\$ -	\$ 175,271	\$ 165,190
		Rent- State Owned Property	\$ 120.00			
		HUB Int'l-Cyber Insurance Policy	\$ 8,734.00			
		Dues & Membership Fees	\$ 1,988.00			
		Fees & Fines	\$ 4,195.12			
		Fees & Fines Licensing	\$ 171.20			
		Gallium (Rent)	\$ 145,700.39			
		Gallium (Interest)	\$ 3,108.65			
		Republic Parking	\$ 11,254.00			
38440000	505000	Travel		\$ -	\$ 38,880	\$ 43,088
		In-State Meals	\$ 845.00			
		In-State Lodging	\$ 5,471.36			
		In-State Air Transport	\$ 830.97			
		In-State Other	\$ 588.38			
		In-State Mileage	\$ 8,682.92			
		In-State Misc-Travel Expense	\$ 644.00			
		In-State Registration Fees	\$ 1,000.00			
		Out-of-State Meals	\$ 735.00			
		Out-of-State Lodging	\$ 3,349.14			
		Out-of-State Air Transport	\$ 1,447.33			
		Out-of-State Mileage	\$ 1,678.56			
		Out-of-State Other	\$ 81.04			
		Out-of-State Misc Travel	\$ 518.45			
		Out-of-State Registration Fees	\$ 5,244.00			
		State Fleet	\$ 7,763.43			
38440000	506000	Capital Equipment		\$ -	\$ -	\$ -
38440000	514000	Benefits and Claims			\$ 1,604	\$ 1,376
38440000	501070	Other Personal Services		\$ -	\$ -	\$ 9,788
Total	512001	Other Operating		\$ 3,143,413	\$ 548,975	\$ 401,289
38440000	513000	Employer Contributions/ WC Insurance		\$ 80,000	\$ 16,607	\$ 237,628
Total Expenditures				\$ 3,383,413	\$ 565,582	\$ 1,120,710
				% of Budget Used	17%	33%
				% of Budget Remaining	83%	67%
% Spend v. % Collected					69%	156%



TAB 5

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Workers' Compensation Commission

To: Gary Cannon, SCWCC Executive Director
From: Kris Pluss, IT Director
Date: October 7, 2025
Subject: IT Department September 2025 Full Commission Report

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

I. Systems Operations, Maintenance and Support:

SEGRA:

The agency's phone service migration from NWN to SEGRA began on October 1, 2025, and was completed the following day. WCC IT led the coordination efforts, working closely with SEGRA to ensure an orderly migration. SEGRA had two representatives on-site to install the new handsets, assist staff with updating voicemail greetings, and provide real-time support. This move to SEGRA brings improved service and cost savings for our agency.

Windows 10 End of Life and Disconnected Scanners:

WCC IT and DTO have identified several active Windows 10 workstations in our office that are used for our agency's document scanners. WCC IT has reimaged four replacement machines to maintain support and security. Three will be used in production and WCC IT will maintain a spare machine for emergencies. Unfortunately, there are compatibility issues with our current Fujitsu Scanners and Windows 11. WCC IT is currently working with RICOH, the vendor that has replaced Fujitsu on state contract, to procure three replacement scanners.

Portable Digital Recording:

WCC IT has identified two solutions that can be supported to digitally record Hearings that are scheduled for a venue without the availability of a Court Reporter.

- Laptop use: A Logitech camera can be used with CourtCall on the commissioner's laptop to record hearings. Once the hearing is complete, a link to the recording can be shared with a Court Reporter for transcription at a later time.
- Portable Digital Recorder: A handheld digital recorder can be used alongside the laptop as a backup during hearings. An audio file is saved directly on the device and can be played back anytime. After the hearing, the recorder can be connected to the laptop to transfer the file, which can then be sent to a Court Reporter by email or saved to a USB drive for transcription.

Reporting:

89 Service Desk tickets were received by WCC IT during September 2025.
88 Tickets were assigned a priority of Low.
1 Tickets were assigned a priority of Medium.
0 Ticket was assigned a priority of High.
0 Tickets were assigned a priority of Urgent.

eFile / ePay Submissions:

4,240 unique electronic submissions were processed in September 2025.
During this period, a total of \$121,889 were collected via online filings.

1,364 eFile/ePay online transactions with a fee/fine for a net amount of \$118,339 were submitted in September 2025.

- Filing Fees: \$61,298
- Fines: \$57,041
- Other: \$3,551 (Includes Appeals, Copy Requests, Self-Insurance Tax, Self-Insurance Membership Application, and Workshop Registrations)

Total unique filings without an online payment: 2,876

Percent of Change from Previous Month:

Type	August 2025	Sept. 2025	Percent Change
Total Unique Submissions	4,205	4,240	1%
Payment	1,289	1,364	5%
No Payment	2,916	2,876	-1%
Total Payments	\$116,371.00	\$121,889.26	5%
Fees and Fines	\$115,241.00	\$118,338.50	3%
• Fees	\$57,600.00	\$61,298.00	6%
• Fines	\$57,641.00	\$57,040.50	-1%
Other	\$1,130.00	\$3,550.76	68%

Online Activity – Monthly and YTD:

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

	January	February	March	April	May	June	July	August	September	October	November	December	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	-	-	-	36,448
Submissions with Payment	1,098	1,046	1,233	1,267	1,264	1,180	1,237	1,289	1,364	-	-	-	10,978
Submissions with No Payment	2,663	2,688	3,020	2,891	2,686	2,721	3,009	2,916	2,876	-	-	-	25,470
Judicial Pleadings (Online vs. Physical)													Judicial Pleadings
Claimant Pleadings													Claimant Only
Total Claimant Pleadings	570	571	561	611	589	584	625	606	595	-	-	-	5,312
Percent Claimant Online	68%	63%	71%	71%	77%	67%	68%	75%	78%	0%	0%	0%	71%
Percent Claimant Physical	32%	37%	29%	29%	23%	33%	32%	25%	22%	0%	0%	0%	29%
Defense Pleadings													Defense Only
Total Defense Pleadings	288	284	280	248	280	268	280	242	267	-	-	-	2,437
Percent Defense Online	43%	43%	48%	57%	55%	53%	45%	47%	58%	0%	0%	0%	50%
Percent Defense Physical	57%	57%	52%	43%	45%	47%	55%	53%	42%	0%	0%	0%	50%
Combined Pleadings (Claimant + Defense)													Combined Pleadings
Total Combined Pleadings	858	855	841	859	869	852	905	848	862	-	-	-	7,749
Online Payments (ePay)													Online Payments
Total Amount Paid Online	\$76,552.50	\$103,789.26	\$939,350.09	\$35,090.63	\$148,352.50	\$147,664.00	\$112,826.00	\$116,371.00	\$121,889.26	\$0.00	\$0.00	\$0.00	\$1,801,885.24
Payments for Fees and Fines	\$76,082.50	\$93,380.50	\$110,189.00	\$119,045.50	\$146,073.50	\$146,674.00	\$111,636.00	\$115,241.00	\$118,338.50	\$0.00	\$0.00	\$0.00	\$1,036,660.50
Fees	\$50,947.50	\$48,230.50	\$55,689.00	\$56,720.50	\$57,743.50	\$52,994.00	\$55,350.00	\$57,600.00	\$61,298.00	\$0.00	\$0.00	\$0.00	\$496,573.00
Fines	\$25,135.00	\$45,150.00	\$54,500.00	\$62,325.00	\$88,330.00	\$93,680.00	\$56,286.00	\$57,641.00	\$57,040.50	\$0.00	\$0.00	\$0.00	\$540,087.50
Other Payments	\$470.00	\$10,408.76	\$829,161.09	(\$83,954.87)	\$2,279.00	\$990.00	\$1,190.00	\$1,130.00	\$3,550.76	\$0.00	\$0.00	\$0.00	\$849,179.61

TAB 6

State of South Carolina



Workers' Compensation Commission

MEMORANDUM

Date: October 7, 2025

To: Gary Cannon
Executive Director

From: Wayne Ducote
Insurance & Medical Services Director

RE: Monthly Insurance & Medical Services Report for September 2025

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

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

Coverage Division

The Coverage Division had 63 new registrants for notification of lapse in coverage within our coverage notification system. No lapse in coverage notifications were sent. In the third quarter of 2025, NCCI had 2,120 new registrants within their notification system. 211 lapses in coverage notifications were sent.

The Coverage Division processed 1,902 Form 12A submitted electronically through the Verisk system and processed 275 manually filed Form 50s into the Verisk system. The Verisk claims entry process continues to be reviewed and updated on a weekly basis with the assistance of the SCWCC IT and Verisk teams.

Compliance Division

The Compliance Division created 230 DEW compliance investigation files. Of those 230 files, 50 files were closed immediately due to coverage being located. The remaining 180 files were opened for further investigation and notifications were sent to employers.

The Compliance Division collected over \$76,000 in non-compliance penalties and compelled 34 employers to come into compliance with the Act, which resulted in 210 more employees now covered by workers' compensation insurance than were previously covered. In addition, the GEAR program collected \$1,032.27 from two of our old non-compliant employers.

The Compliance Division docketed 14 carriers for a Rule to Show Cause hearing in August. All 14 carriers resolved their outstanding fines, totaling \$15,839.00, prior to the scheduled hearing date.

Medical Services Division

The Medical Services Division resolved eleven formal medical bill disputes and completed eleven medical bill reviews. Additionally, the Medical Services Division had 170 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									
September 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				956	745	28%
Total Cases Initiated	333	256	273				862	484	78%
Total Cases Closed	368	244	176				788	518	52%
Total Cases Active at End of Period	303	315	412				1030	711	45%
Cases from F50/12A/other	27	25	18				70	54	30%
Cases from DEW	283	225	230				738	388	90%
Cases from Carriers	20	14	26				60	44	36%
Total Fines Assessed	\$ 126,302	\$ 83,500	\$ 84,189				\$ 293,991	\$ 182,701	61%
- DEW / Coverage / Miscellaneous	\$ 123,552	\$ 80,500	\$ 84,189				\$ 288,241	\$ 176,176	64%
- Underlying claim / uninsured employer	\$ 2,750	\$ 3,000	\$0				\$ 5,750	\$ 6,525	-12%
Total Fines Collected	\$ 120,391	\$ 95,068	\$ 76,336				\$ 291,795	\$ 183,025	59%
- DEW / Coverage / Miscellaneous	\$ 116,641	\$ 93,818	\$ 74,586				\$ 285,045	\$ 171,425	66%
- Underlying claim / uninsured employer	\$ 3,750	\$ 1,250	\$ 1,750				\$ 6,750	\$ 11,600	-42%
Fines Waived/Rescinded/Uncollectable	\$ 10,250	\$ 5,500	\$ 9,190				\$ 24,940	\$ 33,401	-25%
- Waived	\$ 3,750	\$ 1,000	\$9,190				\$ 13,940	\$ 28,900	-52%
- Rescinded	\$ 6,500	\$4,500	\$0				\$ 11,000	\$ 4,501	144%
- Uncollectable	\$0	\$0	\$0				\$ -	\$ -	
Employer RTSC Cases Docketed	1	8	6				15	1	1400%
Employers Compelled Into Compliance	47	45	34				126	107	18%
Previous Uninsured Employees Now Covered	221	270	210				701	764	-8%
Carrier RTSC Cases Docketed	12	20	14				46	50	-8%
Carrier RTSC Cases Resolved	12	20	14				46	50	-8%
Carrier RTSC Fines Resolved	\$ 27,600	\$ 4,200	\$ 15,839				\$47,639	33004	44%
COVERAGE & ACCIDENT RPTG									
Employers Withdrawing From the Act	10	4	5				19	8	138%
Coverage Fines Assessed	\$ 38,750	\$ 38,400	\$ 28,650				\$ 105,800	\$ 92,200	15%
Coverage Fines Collected	\$ 22,800	\$ 21,200	\$ 28,950				\$ 72,950	\$ 61,650	18%
Coverage Fines Waived	\$ 8,600	\$ 8,400	\$ 7,600				\$ 24,600	\$ 13,600	81%
Number of 12As Filed EDI	1,815	1,986	1,902				5,703	5228	9%
Number of 12As Filed Manually	278	252	275				805	742	8%
Total Number of WCC Files Created	2,093	2,238	2,177				6,508	5970	9%
Number of Fatalities Filed on 12As	11	6	4				21	27	-22%
MEDICAL SERVICES									
Bills Pending at Beginning of Period	11	9	7				27	18	50%
Bills Received	6	6	10				22	24	-8%
Bills to be Reviewed	17	15	17				49	42	17%
Bills Reviewed this Month	8	8	11				27	25	8%
Bills Pending at End of Period	9	7	6				22	17	29%
Total Stakeholder Contacts	126	92	170				388		

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: October 13, 2025

Re: Claims Department October 2025 Full Commission Report

Attached is the Statistical Report for the Claims Department for the period July 1, 2025 – September 30, 2025, prepared for the Business Meeting on October 13, 2025.

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 of training needs for external stakeholders.

The total Claims Activities, for this period have increase 11% when compared to the same period from last fiscal year. The new data in the Returned Forms categories accounts for 542 or 4% of the total activities.

When compared to the same period last fiscal year, the number of Cases Reviewed is 16% higher, and the number cases closed is 11% higher; the number of Fines Assessed is 9% more; and the Total Fines Paid is 43% higher. The number of Form 18 fines were assessed automatically by the IT system increased by 11%.

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

**Claims Department Statistical Report
FY2025-2026**

Claims Activities	July	August	Sept	June	FY25-26 YTD Total	FY24-25 YTD Total	% Diff from prev year
(a)	(b)	(c)	(d)	(m)	(o)	(p)	(q)
Forms 15-I - Processed	1,175	1,161	1,148		3,484	3,234	8%
Forms 15-I - Returned	30	30	19		79		
Forms 15-II/Forms 17 Processed	780	732	791		2,303	2,187	5%
Forms 15-II/Forms 17 Returned	118	64	56		238		
Forms 16 for PPD Processed	59	39	59		157	165	-5%
Forms 16 for PPD Returned					-	-	
Forms 18 - Processed	5,073	4,624	4,747		14,444	14,716	-2%
Forms 18 - Returned							
Forms 20 - Processed	617	594	575		1,786	1,467	22%
Forms 20 - Returned							
Form 61 - Processed	781	706	765		2,252	2,124	6%
Form 61 - Returned	43	32	48		123		
Clinchers - Processed	683	663	680		2,026	1,967	3%
Clinchers - Returned	10	12	29		51		
Third Party Settlements Processed	23	23	21		67	57	18%
Third Party Settlements Returned	1	-			1		
SSA Requests for Info	43	47	55		145	96	51%
Cases Closed Form 19 - Processed	2,466	2,265	2,261		6,992	6,303	11%
Cases Closed Form 19 - Returned	409	381	390		1,180		
Cases Reviewed	3,517	3,384	3,434		10,335	8,901	16%
Total	15,828	14,757	15,078	-	45,663	41,217	11%
					-		
Total Fines Assessed	\$ 279	\$ 265	\$ 216		\$ 760	\$ 698	9%
Form 18 Fines	\$ 268	\$ 212	\$ 182		\$ 662	\$ 599	11%
Total Amt Paid	\$ 63,650	\$ 43,000	\$ 47,250		\$ 153,900	\$ 107,700	43%

TAB 8

State of South Carolina

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



Tel: (803) 737-5700
Fax: (803) 737-1234
www.wcc.sc.gov

Workers' Compensation Commission

October 3, 2025

To: Gary Cannon, Executive Director

From: Amy A. Bracy, Judicial Director

RE: **Monthly Judicial Report for September 2025**

During the month of September, the Judicial Department processed three hundred sixty (360) claim only Form 50s, and eight hundred sixty-two (862) Requests for Hearings (claimant and defense pleadings). Comparing the numbers from the same period last year, claimant pleadings are up 5% and defense pleadings are down 5%. The department received one hundred five (105) Motions, a 15% decrease compared to the same period last year and one hundred forty-two (142) clincher conference requests, a 3% increase compared to the same time last year.

There were forty-one (41) Single Commissioner Hearings conducted during the past month, sixteen (16) pre-hearing conferences held, and five (5) Full Commission hearings held. A total of five hundred thirty-six (536) Orders (Single Commissioner Orders, Consent Orders and Administrative Orders) were served at the single Commissioner level, thirty-three (33) of those were Decision and Orders that resulted from hearings, three hundred forty-five (345) were Consent Orders and one hundred twenty-nine (129) were Motion Orders that were a result of Motions ruled upon by Commissioners.

There were two hundred ninety-seven (297) Informal Conferences requested during September and one hundred seventy-nine (179) were conducted.

There were thirty-four (34) regulatory mediations scheduled and seventy-eight (78) requested mediations. Totals for regulatory mediations are down 4% while requested mediations are up 20% for the same period last year. The Judicial Department was notified of thirty-seven (37) matters resolved in mediation, with the receipt of Forms 70. This category's total is down 8% compared to this period last year. This does not include mediations that take place outside of what is reported to the Commission.

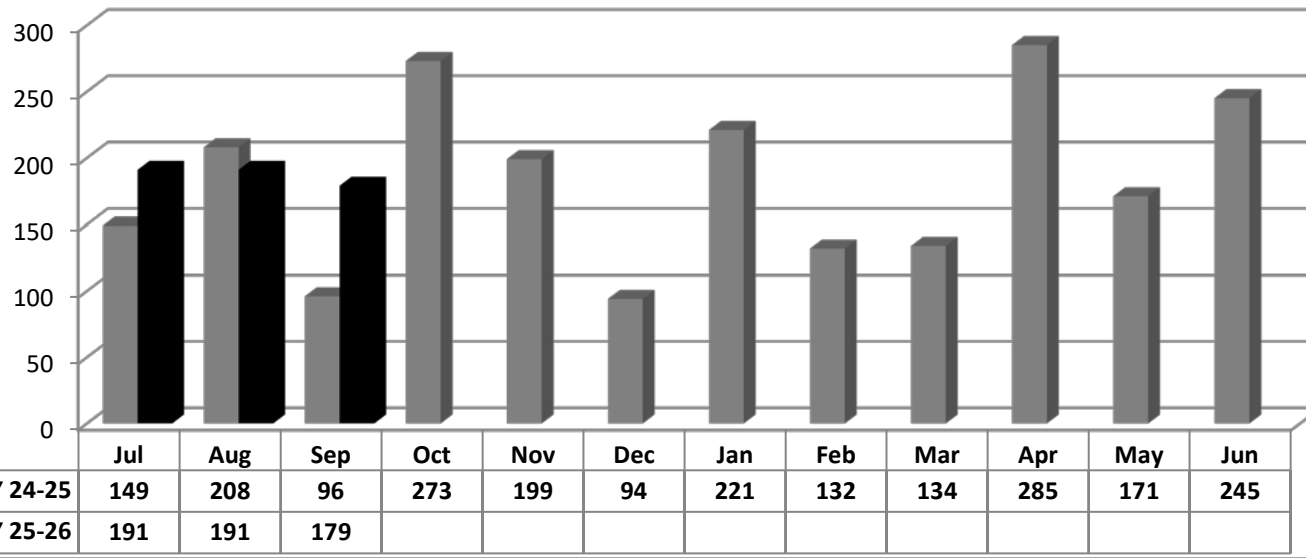
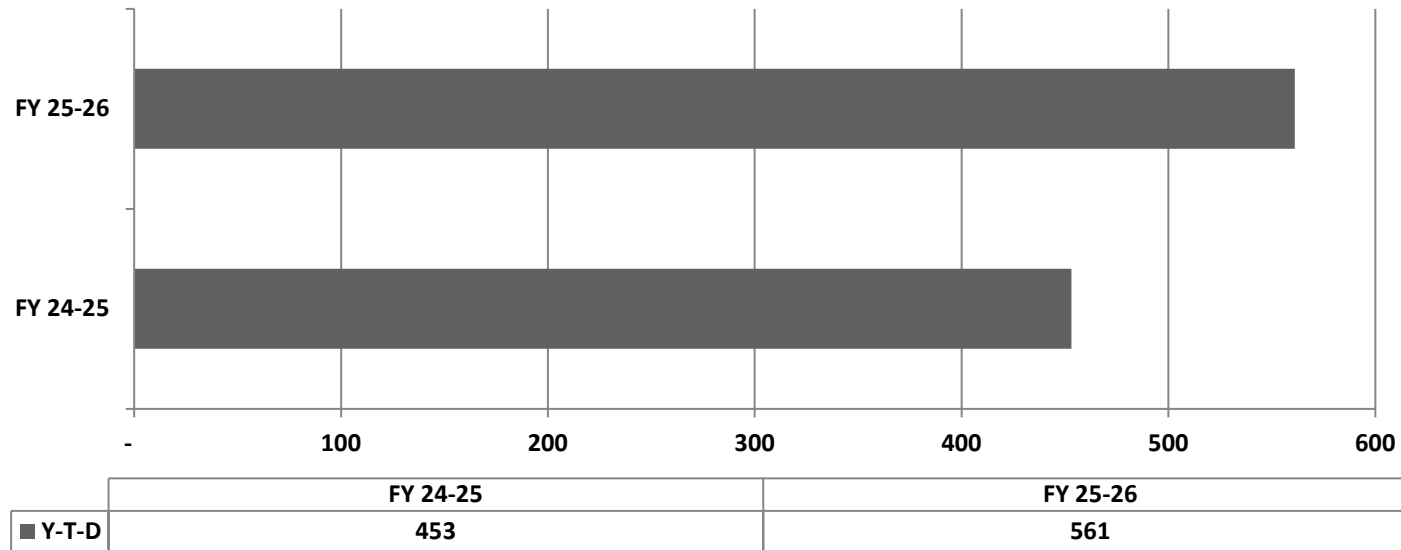
In the month of September, Judicial received eleven (11) Notices of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

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

	July	Aug	Sept	Oct	Nov	Totals YTD 2025-2026	Totals YTD 2024-2025	% Diff from prev year
Claimant Pleadings	625	606	595			1,826	1,731	5%
Claimant Pleadings - Not proper (new)	86	81	87			254	266	-5%
Defense Response to Pleadings	462	537	506			1,505	1,363	10%
Defense Pleadings	280	242	267			789	828	-5%
Defense Pleadings - Not proper (new)	57	57	52			166	171	-3%
Form 50 - Claim Only	280	294	360			934	842	11%
Letters of Representation	78	268	186			532	48	1008%
Motions	111	118	105			334	391	-15%
Motion - Reliefs of Counsel (new)	57	63	94			214	198	8%
Motions Improper (Motions and ROC) (new)	31	40	39			110	107	3%
Form 30	10	7	5			22	31	-29%
FC Hearings Held	6	9	5			20	16	25%
FC Orders Served	9	16	10			35	49	-29%
Single Comm. Hearings Held	55	51	41			147	169	-13%
Single Comm. Orders Served	498	473	536			1,507	1,481	2%
Single Comm. Pre-Hearing Conf Held	5	13	16			34	33	3%
Clincher Conference Requested	141	158	142			441	430	3%
Informal Conference Requested	279	199	297			775	607	28%
Informal Conference Conducted	191	191	179			561	453	24%
Regulatory Mediations	31	30	34			95	99	-4%
Requested Mediations	86	83	78			247	206	20%
Mediation Resolved	39	87	37			163	177	-8%
Mediation Impasse	12	37	19			68	49	39%
Claim Settled Prior to Mediation	9	11	9			29	50	-42%
Total	3,438	3,671	3,699	-	-	10,808	9,795	10%

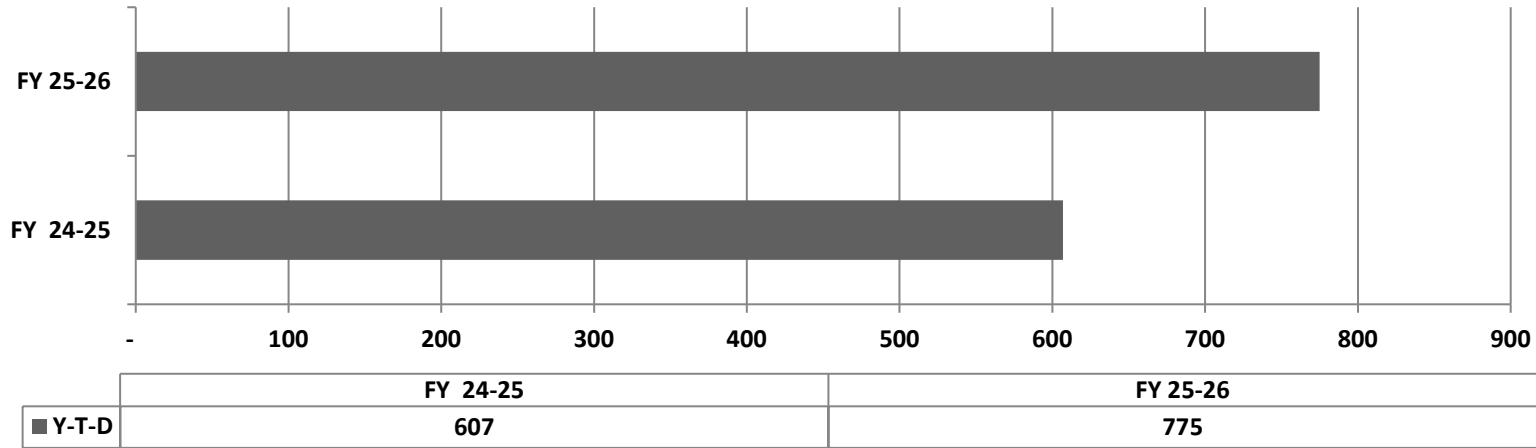
Informal Conf. Conducted

Y-T-D

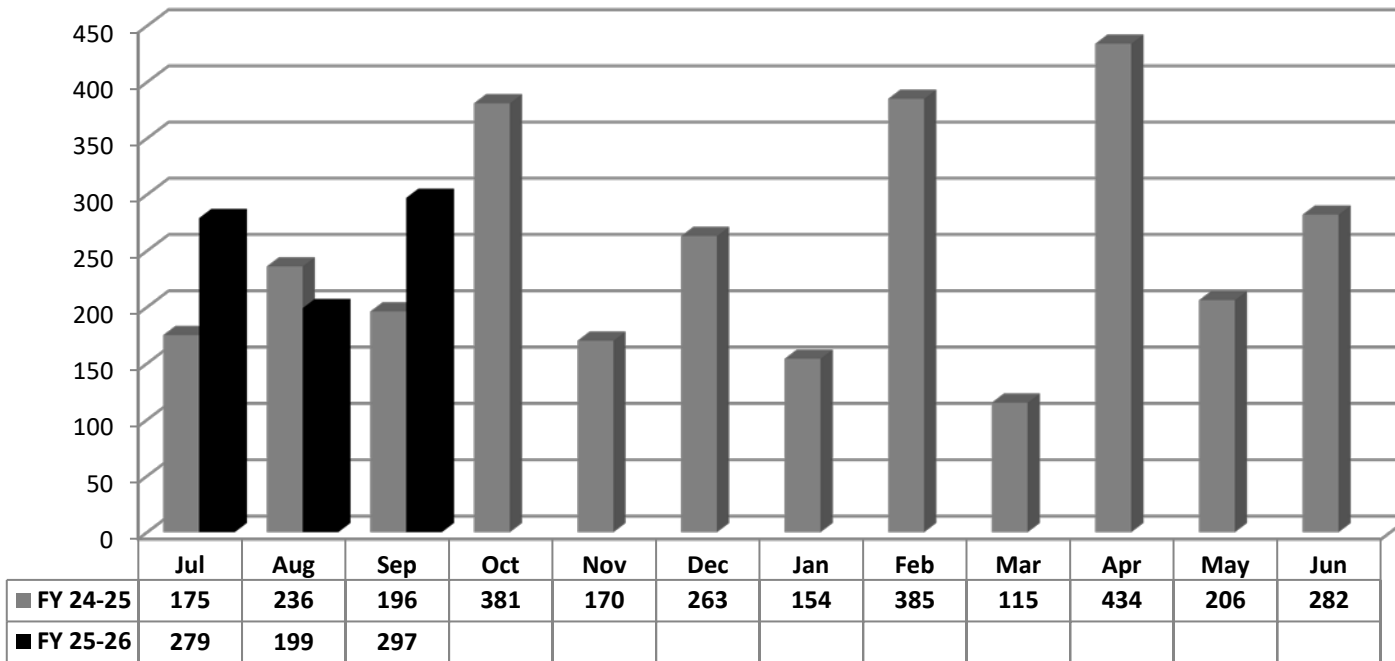


Informal Conf. Requested

Y-T-D



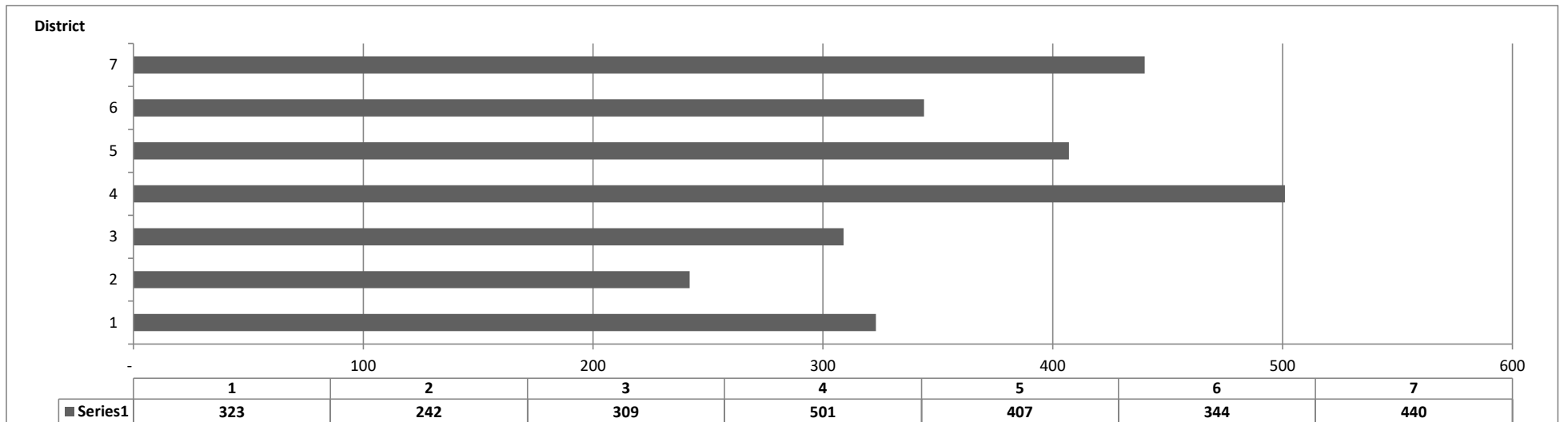
FY 24-25 FY 25-26



Pleadings Assigned - Three Year Comparison by Month

	District 1 Greenville			District 2 Anderson			District 3 Orangeburg			District 4 Charleston			District 5 Florence			District 6 Spartanburg			District 7 Richland		
	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		123	96		111	68		125	107		244	181		183	149		149	114		168	142
Nov		73	106		48	79		85	111		164	190		122	139		112	113		120	173
Dec		117	105		68	80		118	99		157	142		145	99		128	93		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	323	1,227	1,288	242	902	900	309	1,277	1,222	501	2,056	2,128	407	1,626	1,619	344	1,386	1,331	440	1,696	1,711

Pleadings Assigned by District Year to Date



TAB 9



Referral Date

7/1/2025

9/30/2025

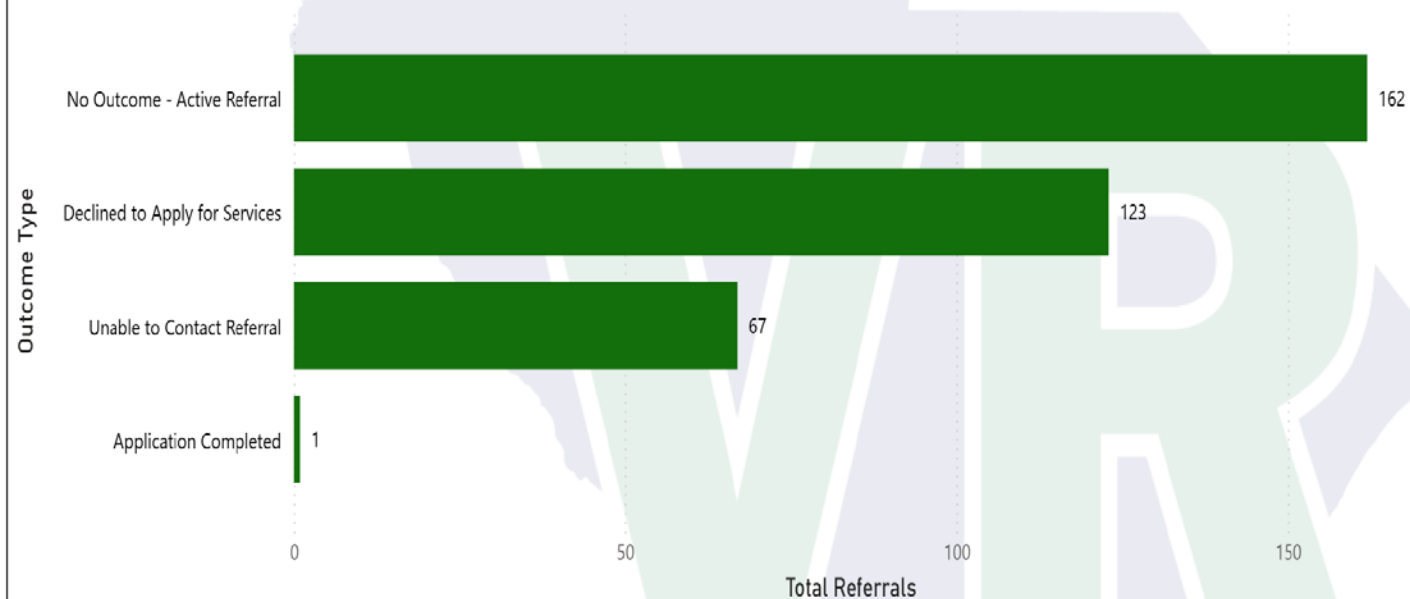
Area Office

All

Referring Organization

SC Workers Compensation

Total Referrals by Outcome Type



100.00%

Referrals with VR Cases
Reaching Eligibility

0.00%

Referrals with VR Cases
Reaching IPE

0.00%

Rehab Rate for Referral VR
Cases with an IPE Developed

Referral Summary

Outcome Type	Total Referrals
Application Completed	1
Declined to Apply for Services	123
No Outcome - Active Referral	162
Unable to Contact Referral	67
Total	353

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

Current CMS Status	Description	Total Referrals	% of Referrals with VR Cases
10	Eligibility	1	100.00%
Total		1	100.00%

TAB 10

State of South Carolina



Workers' Compensation Commission

Executive Director's Report

October 13, 2025

Meetings and Other Activities

During the month of September, the Executive Director met with staff to discuss the proposed Metal Detector Use Policy and the proposed new Telecommuting Policy; continued to assist and provide guidance to the Interim Self-Insurance Director with regard to policies and procedures; and took several days annual leave.

Constituent /Public Information Services

For the month of September, the Executive Director's and the General Counsel's offices had 221 contacts with stakeholders.

Financial Transactions Activity

During the month of September, the Executive Director's office processed and approved thirteen (13) travel expense reports, seventy-one (71) invoices, forty-six (46) deposits for DOA to process in the SCEIS system.

SCWCC Stakeholder Electronic Distribution List

For the month of September, the Executive Director's office had six (6) deletions and two (2) additions to the distribution list.

Advisory Notices

During the month of September, the office posted two (2) notices on the Commission's website and emailed it to the distribution list.

TAB 11

MEMORANDUM

TO: Gary M. Cannon, Executive Director

FROM: J. Keith Roberts, General Counsel

RE: Notice of Proposed Regulations 67-206, 67-411, and 67-1507

DATE: October 13, 2025

The Commission has approved the Notice of Drafting of Regs. 67-206, 67-411, and 67-1507. The next step is for the Commission to publish the Notice of Proposed Regulations in the State Register. Following publication in the State Register, the Commission will conduct a public hearing, set for the Business Meeting on November 17th, 2025. Following the public hearing and comment period, the Commission will have the opportunity to revise and amend the proposed language before it is filed with Legislative Counsel.

Staff recommends the Commission approve the publication of the Notice of Proposed Regulations in the October State Register.

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

67-206

Preamble:

The South Carolina Workers' Compensation Commission proposes to amend existing Regulation 67-206 to clarify the provisions of this regulation apply only to a claimant filing a claim with the Commission as recommended by the S.C. House Legislative Oversight Committee.

Section-by-Section Discussion:

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

Notice of Public Hearing and Opportunity for Public Comment:

The Commission shall hold a public hearing and opportunity for public comment at its Business Meeting scheduled for November 17th, 2025 at 10:00am at 1333 Main St., Suite 500, Columbia, SC 29201. A link to attend the meeting electronically will be available on the Commission's website at www.wcc.sc.gov.

Preliminary Fiscal Impact Statement:

No fiscal impact to the State is expected.

Statement of Need and Reasonableness:

The South Carolina Workers' Compensation Commission proposes to amend existing Regulation 67-206 to clarify the provisions of this regulation apply only to a claimant filing a claim with the Commission as recommended by the S.C. House Legislative Oversight Committee.

DESCRIPTION OF REGULATION:

Purpose: To provide procedure for a claimant to file a claim with the Commission.

Legal Authority: 1976 Code Section 42-3-30

Plan for Implementation:

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The Commission has determined the changes are needed to clarify the regulation applies to filing a claim by a claimant.

DETERMINATION OF COSTS AND BENEFITS: No financial costs are anticipated, and it clarifies the existing regulation's applicability.

UNCERTAINTIES OF ESTIMATES: N/A

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: N/A

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

Statement of Rationale:

The HLOC Committee recommended the change be made to clarify the regulation applies to claimants.

Text: See Next Page

67–206. Filing a Claim.

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

B. To file a claim only 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.

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

67-411

Preamble:

The South Carolina Workers' Compensation Commission proposes to amend existing Regulation 67-411 to indicate that the filing of a WCC Form 12/A files a claim with the Commission, consistent with the recommendation of the House Legislative Oversight Committee.

Section-by-Section Discussion:

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

Notice of Public Hearing and Opportunity for Public Comment:

The Commission shall hold a public hearing and opportunity for public comment at its Business Meeting scheduled for November 17th, 2025 at 10:00am at 1333 Main St., Suite 500, Columbia, SC 29201. A link to attend the meeting electronically will be available on the Commission's website at www.wcc.sc.gov.

Preliminary Fiscal Impact Statement:

No fiscal impact to the State is expected.

Statement of Need and Reasonableness:

DESCRIPTION OF REGULATION: Employer's Report of Injury, Form 12A

Purpose: To clarify when the filing of a Form 12/A files a claim with the Commission.

Legal Authority: 1976 Code Section 42-3-30

Plan for Implementation:

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS: The Commission has determined the changes are needed to clarify when a claim is filed with the Commission.

DETERMINATION OF COSTS AND BENEFITS: No financial costs are anticipated, and it clarifies the existing regulation's applicability.

UNCERTAINTIES OF ESTIMATES: N/A

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: N/A

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

Statement of Rationale:

The HLOC Committee recommended the change be made to state when the filing of a Form 12/A files a claim with the Commission.

Text: See Next Page

67-411 Employer's Report of Injury, Form 12A.

A. Each employer shall keep a record of all injuries, fatal or otherwise, received by its employees in the course of their employment.

- (1) The record must be made on the Form 12A and retained or filed according to section B below.
- (2) The Commission shall not construe the filing of a Form 12A as an admission of liability on the part of the employer or the employer's representative.

B. Employer's Responsibilities

- (1) The employer shall make a record of all work-related injuries reported by its employees on the Form 12A and retain the record for a period of two years.
- (2) When an injury requires less than five hundred dollars in medical treatment and does not cause more than one lost workday or permanency, the employer may pay for the medical treatment. The employer is not required to make a written report to the employer's representative or to the Commission.
- (3) If the employer denies the claim for injuries or does not elect to pay for the medical treatment, the employer shall send a copy of the Form 12A to the employer's representative immediately after the occurrence and knowledge of the injury.
- (4) When an injury requires five hundred dollars or more in medical treatments or when it is determined more than one workday will be missed as a result of the injury or there is likely to be permanency, the employer shall send a copy of the Form 12A to the employer's representative immediately.
- (5) The employer shall report all fatalities to its representative.

C. Employer's Representative's Responsibilities

- (1) When an injury requires less than two thousand five hundred dollars in medical treatments and does not result in compensable lost time or permanency, the employer's representative shall retain the Form 12A filed by the employer for two years. The employer's representative shall make a report of the injuries in this category to the Commission as required in R.67-412.
- (2) When an injury requires two thousand five hundred dollars or more in medical treatments or results in compensable lost time or permanency, the employer's representative shall send the Form 12A to the Commission within ten business days after the occurrence and the employer's knowledge of the injury. In the event the injury was previously processed under section C(1) above, the Form 12A shall be filed with the Commission within ten business days of the employer's representative's knowledge the limits set in section C(1) above have been exceeded. The Form 12A shall be marked "Previously Processed As Medical Only."
- (3) If the employer's representative, or the employer, denies the claim for injuries, the employer's representative shall notify the claimant in writing and send the Form 12A, a Form 19 (reference R.67-414), and a copy of the letter denying the claim to the Commission within ten business days after the occurrence and the employer's knowledge of the reportable injury.
- (4) The employer's representative is required to report all fatalities to the Commission.

D. An unqualified self-insured employer shall file a Form 12A with the Commission within ten business days after the occurrence and knowledge of an injury, regardless of the nature or seriousness of the injury.

E. A Form 12/A submitted pursuant to this section shall file the claim with the commission unless the employer's representative, or the employer, denies the claim for injuries, notifies the claimant in writing, and sends the Form 12A, a Form 19, and a copy of the letter denying the claim to the Commission within ten business days after the occurrence and the employer's knowledge of the reportable injury consistent with subsection (C)(3).

Document No. _____

NAME OF AGENCY

CHAPTER 67

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

Reg. 67-1507

Preamble:

The South Carolina Workers' Compensation Commission proposes to amend Regulation 67-1507 to clarify the manner in which the Commission may release the funds paid to the Commission from a letter of credit on behalf of an insolvent self-insurer when the Commission determines that all contingent liability arising during the period of self-insurance has expired.

Section-by-Section Discussion:

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

Notice of Public Hearing and Opportunity for Public Comment:

The Commission shall hold a public hearing and opportunity for public comment at its Business Meeting scheduled for November 17th, 2025 at 10:00am at 1333 Main St., Suite 500, Columbia, SC 29201. A link to attend the meeting electronically will be available on the Commission's website at www.wcc.sc.gov.

Preliminary Fiscal Impact Statement:

No fiscal impact to the State is expected.

Statement of Need and Reasonableness:

The Commission's regulations allow a self-insurer to provide a security required by § 42-5-20 by posting with the Commission a bond (Reg. 67-1505), securities pledge (Reg. 67-1506), or irrevocable letter of credit. Regs. 67-1505 and 67-1506 provide the procedure for the remainderman to request release of all or some of the bond or pledged securities. However, Reg. 67-1507 is silent regarding the procedure to be followed for the remainderman to request the release of some or all of the funds paid to the Commission on an irrevocable letter of credit, after the Commission determines the funds are no longer needed. The Commission proposes adding language to Reg. 67-1507 that is substantially similar to Regs. 67-1505 and 67-1506 to provide uniformity in the administrative procedure for the remainderman to request release of the security.

DESCRIPTION OF REGULATION:

Purpose: To allow a self-insurer the opportunity to obtain an irrevocable letter of credit to comply with the security requirement under § 42-5-20.

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

Plan for Implementation:

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

the changes are needed to reduce uncertainty in the administrative procedure to be followed by codifying the procedure for the remainderman to request a return or reduction of security pledged by an irrevocable letter of credit.

DETERMINATION OF COSTS AND BENEFITS: No financial costs are anticipated, and it provides the benefit of explicitly stating the administrative procedure to be followed in the regulation.

UNCERTAINTIES OF ESTIMATES: N/A

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH: N/A

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

Statement of Rationale:

The Commission's regulations allow a self-insurer to provide a security required by § 42-5-20 by posting with the Commission a bond (Reg. 67-1505), securities pledge (Reg. 67-1506), or irrevocable letter of credit. Regs. 67-1505 and 67-1506 provide the procedure for the remainderman to request release of all or some of the bond or pledged securities. However, Reg. 67-1507 is silent regarding the procedure to be followed for the remainderman to request the release of some or all of the funds paid to the Commission on an irrevocable letter of credit, after the Commission determines the funds are no longer needed. The Commission proposes adding language to Reg. 67-1507 that is substantially similar to Regs. 67-1505 and 67-1506 to provide uniformity in the administrative procedure for the remainderman to request release of the security.

Text: See Next Page

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, 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.