

PROGRAM EVALUATION REPORT

State Accident Fund

Date of Submission: 03/06/2020

The contents of this report are considered sworn testimony from the agency director.

Agency Director

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Start Date: 01/07/2019

Number of Years as Agency Head: 1

Number of Years at Agency: 1

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Agency Online Resources

Website address: www.saf.sc.gov

Online Quick Links:

<https://www.saf.sc.gov/Eng/Public/Workers/ReportInjury.aspx>

<https://www.saf.sc.gov/Eng/Public/Contactus/Directions.aspx>

<https://www.saf.sc.gov/Eng/Public/Contactus/Contactus.aspx?scod=1>

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I. Agency Snapshot

A. Glossary of Terms

1. Glossary of agency terms.

Term, Phrase or Acronym	Meaning of the Term, Phrase or Acronym
§	Section of the South Carolina Code of Laws.
Accident	An unlooked for and untoward event that the person who sustained the injury did not expect or design.
Actuary	One who compiles and analyzes statistics to calculate insurance risks and premiums.
Arising Out of Employment	The origin or cause of an accident. An injury “arises out of” employment when there is a connection between the conditions under which the work is performed and the resulting injury.
Audit	An examination of an insured’s records to determine the final workers’ compensation premium based on proper classification and final payroll amounts.
Average Weekly Wage	The earnings of an injured employee in the employment in which he was working at the time of the injury during the period of 52 weeks immediately preceding the date of the injury.
Certificate of Insurance	A document issued by a carrier confirming that an entity or person had workers’ compensation insurance coverage at a particular time.
Carrier (or insurer)	Any person or fund authorized under S.C. Code Ann. §42-5-20 to write a policy of workers’ compensation insurance in the State. A self-insured employer is also a “carrier.”
Casual Employment	Employment that is irregular, unpredictable, sporadic and brief in nature, and not in the usual course of the employer's trade or business
Change of Condition	A change in the physical condition of an injured worker as a result of the original injury, occurring within one year after payment of an award from the WCC for permanent disability or settlement on a Form 16A.
Claim	Notification of a request for workers’ compensation benefits.
Classification Code	Codes that insurance companies use to identify specific categories of work to estimate workers’ compensation rates based on the risk associated with certain types of work.
Clincher	A full and final settlement of a workers’ compensation claim. A clincher relieves the employer from any further responsibility for payment of compensation or medical expenses, unless the clincher specifically provides otherwise.
Compensation	Monetary benefits paid to an injured worker, or to their dependents in the event of the injured worker’s death. This can take the form of temporary disability, permanent partial disability, or permanent total disability
Commutated value	The present value of lump sum award, which is determined using Net Present Value Tables provided by the WCC.
Compensation benefits	Monetary benefits paid to or on behalf of an injured worker because of a workers’ compensation claim. Compensation benefits include temporary disability benefits, permanent disability benefits, and medical benefits.
Compensation rate	Two-thirds of an injured worker’s average weekly wage, which is used to calculate an injured worker’s temporary or permanent disability.

Course of Employment	Actions of an employee within a period of employment at a place where the employee reasonably may be expected to perform those duties while fulfilling those duties or engaged in activities to further the business of the employer.
Dependent	One who is financially reliant upon an injured worker at the time of his/her death who may be entitled to compensation upon the death of that injured worker.
Disability	Incapacity because of an injury to earn wages which the employee was receiving at the time of that injury in the same or other employment.
Earning Capacity	A person's ability to earn money in the future given their education, work experience, job skills, and talents.
Exclusive Remedy	Pursuant to S.C. Code Ann. § 42-1-540, where an employee's at work injury is covered under the South Carolina Workers' Compensation Act, that employee is barred from bringing a tort liability claim against their employer and can only pursue benefits under workers' compensation.
Experience Modification Rate ("EMOD")	A modification to premium based on a calculation established by the workers' compensation insurance industry which takes into account a policyholder's specific loss history and payroll data, to compare a policyholder's risk to other policyholders using the same classification codes. The lower the EMOD of a business, the lower their workers compensation insurance premium will be.
General Disability	Disability based on a loss of earning capacity pursuant to S.C. Code Ann. §42-9-10 or §42-9-20.
Hearing	An administrative proceeding before a Workers' Compensation Commissioner to determine matters relating to an injured worker's workers' compensation claim.
Impairment	A change in an individual's health or a deviation from normal bodily functioning.
Indemnification	Compensation for loss or harm.
Indemnify	To compensate someone for loss or harm.
Independent Contractor	An individual with no legally defined employment relationship with the entity for which he/she performs a paid service. The individual performs the work according to his/her own knowledge, skill, judgment, means, and methods.
Informal Conference	A meeting with the claimant, the employer's representative, and a Commissioner or claims mediator during which the Commissioner or claims mediator answers questions about the claim and reviews, for approval, a proposed settlement of a claim.
Insurance	A practice or arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium.
Least Privileged Access	The practice of limiting access rights for users, accounts, and processes to only those resources necessary to perform required and legitimate activities.
Maximum Compensation Rate	The statutory cap for an injured workers' compensation rate. An injured workers' compensation rate cannot be more than the average weekly wage in the State for the prior fiscal year, which is determined by the Department of Employment and Workforce using employment covered by the employment security compensation law.
Maximum Medical Improvement ("MMI")	The point at which an injured workers' medical condition has stabilized and no further treatment will improve the condition.

National Council on Compensation Insurance (“NCCI”)	A national rating and data collection bureau that specializes in workers' compensation insurance. It is a non-profit organization owned by its member insurance companies.
Occupational Diseases	A disease or illness associated with a particular occupation or industry. Such diseases or illnesses result from biological, chemical, physical, or psychological hazards that are encountered in the course and scope of employment in excess of those ordinarily encountered in employment.
Partial Dependent	One who received some financial support from an injured worker prior to his/her death but also had other means of financial support.
Permanent Partial Disability (“PPD”)	A permanent inability to work at full physical capability because of an injury or illness. An injured worker receives benefits to compensate for the complete or partial loss of use of a body part or parts.
Permanent Total Disability (“P&T”)	The permanent inability because of an injury or illness to perform services other than those that are so limited in quality, dependability, or quantity that a reasonable stable job market for them does not exist.
Premium	The amount charged for insurance coverage under an insurance policy.
Policyholder	A person or group in whose name an insured policy is held.
Presumption	A rule of law that allows a court to assume a fact is true. A party may overcome a rebuttable presumption where the greater weight of evidence disproves or outweighs the presumption.
Reconciliation	Process of ensuring that two sets of records are in agreement. Documentation that the balance of the general ledger accounts equal the production system activity.
Reinsurance	The practice under which an insurer transfers portions of their risk to other insurers to limit their total exposure in case of a large or catastrophic loss.
Repetitive Trauma Injury	An injury that develops gradually as the result of performing the same activities for an extended period.
Scheduled Injury	Permanent injury or impairment to specific body parts that have a set limit for compensation as set forth in S.C. Code Ann. §42-9-30 or Regulation 67-1101.
South Carolina Second Injury Fund (“SIF”)	A fund set up by the State to compensate a partially disabled employee who has a subsequent injury. The fund may reimburse the employer or carrier all or a portion of the compensation paid to an injured employee for a second injury. SIF was terminated effective July 1, 2013 and the wind down operations were transferred to the Budget and Control Board. Effective July 1, 2015, the Insurance Reserve Fund-Second Injury Fund Operations was transferred to the State Fiscal Accountability Authority.
Self-Insured	An employer that assumes the financial risk for providing workers' compensation benefits to its employees.
South Carolina Uninsured Employers' Fund (“UEF”)	A statutorily created fund established to ensure payment of workers' compensation benefits to injured employees whose employers are subject to Title 42 but have failed to acquire necessary workers' compensation coverage for their employees.
South Carolina State Accident Fund (“SAF”)	A statutorily created fund that provides workers' compensation coverage for public employees of state, municipal, and county agencies.
South Carolina Workers' Compensation Commission (“WCC”)	The state agency that implements Title 42 of the South Carolina Code of Laws and presides over matters concerning injured workers.

State Fiscal Accountability Authority (“SFAA”)	The state agency that provides fiscal oversight for South Carolina as well as central administrative support services to state agencies and local governments in the areas of property and liability coverage, procurement, and engineering.
Statute of Limitations	The statutorily set maximum time in which a party must initiate legal proceedings from the date of an accident or offense.
Statutory Employee	An independent contractor who is treated as a direct employee for workers’ compensation purposes. An individual is deemed to be a statutory employee if: 1) the work being performed is an important part of the general contractor’s business, 2) the work activity is a necessary, essential or integral part of the business or 3) the identical activity has been performed by the general contractor or their direct employees.
Subcontractor	A person or entity that contracts to perform part or all of the obligations of another's contract.
Subrogation	A legal right held by an insurance carrier to take legal action against a third party that caused a loss to an insured.
Temporary Partial Disability (“TPD”)	Temporary compensation benefits paid to an injured worker who has returned to work but is making less than his average weekly wage. TPD is two-thirds of the difference from the pre-injury average weekly wage and the amount the worker is currently able to earn.
Temporary Total Disability (“TTD”)	Temporary compensation benefits paid to injured worker when they are temporarily unable to work in any capacity. TTD is two-thirds of the injured workers’ average weekly wage.
Third Party Action	An action brought by, or on behalf of, an injured worker against an individual responsible for causing the accident that gave rise to the injured worker’s workers’ compensation claim.
Workers’ Compensation	A type of business insurance that provides benefits to employees who suffer work-related injuries or illnesses.

B. History

2. History of significant events related to the agency, from agency's origin to the present.

When reference is made to a significant legislative action, please cite to the applicable act, if known.

- **1943**
 - The State Workers' Compensation Fund created as a division of the South Carolina Industrial Commission.
 - L.L. McKenzie appointed as the first Director of the State Workers' Compensation Fund.
 - **1947**
 - The establishment of the State Workers' Compensation Fund was permanently codified by §42-7-10 through §42-7-100 of the 1976 Code of Laws of South Carolina.
 - **1974**
 - The State Workers' Compensation Fund established as a separate agency.
 - L.L. McKenzie retired as Director of the State Workers' Compensation Fund.
 - **1975**
 - John W. Scott appointed as Director of the State Workers' Compensation Fund.
 - **1982**
 - The State Workers' Compensation Insolvency Fund established within the State Workers' Compensation Fund.
 - **1986**
 - John W. Scott resigns as the Director of the State Workers' Compensation Fund.
 - Irvin D. Parker appointed as Acting Director of the State Workers' Compensation Fund.
 - **1987**
 - Irvin D. Parker appointed as Director of the State Workers' Compensation Fund.
 - General Assembly amends funding law, which increases revenues for the Crime Victims fund collected from criminals through assessments and restitution.
 - **1988**
 - Act No. 367 of 1988 Acts and Joint Resolutions (A&JR) allowed the Director to reduce crime victim awards on a pro rata basis when projected revenues are insufficient to pay projected awards to victims.
 - Act No. 406 of 1988 A&JR increases the maximum aggregate award payment which the Victim Compensation Fund can make from \$3,000 to \$10,000 and the amount of the payment for burial expenses of a crime victim from \$1,000 to \$2,000.
 - Act No. 485 of 1988 A&JR clarifies the definition of the term "victim" and expands potential benefits for victims to cover "psychic trauma" and expenses associated with treatment such as mental health counseling.
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- **1989**
 - House Bill No. 3447 transfers responsibility for administering the State Workers' Compensation Insolvency Fund from the State Workers' Compensation Fund to the Second Injury Fund.
 - House Bill No. 3658 changed the name of the Victims' Compensation Fund to the State Office of Victim Assistance.
 - General Appropriations Act, Part II, Section 22 specified that all income or revenue derived from investing these (State Fund Trust Fund) funds shall accrue to the State Fund phased in over a three year period with one third accruing to the State Fund in FY 1990-91, and two thirds in 1991-92 and thereafter all income or revenue derived from investing these funds.
- **1992**
 - SC Guardian Ad Litem Program became affiliated as a division of the State Workers' Compensation Fund.
- **1993**
 - Act No. 181, Section 996 effective July 1, 1993 set forth that the State Workers' Compensation Fund shall be known as the State Accident Fund.
 - The State Office of Victim Assistance and the SC Guardian Ad Litem Program transferred to Division's within the Governor's Office.
- **2004**
 - Irvin D. Parker retires from the State Accident Fund.
 - Harry B. Gregory, Jr. appointed as Director of the State Accident Fund.
- **2013**
 - On July 1, 2013 the South Carolina Workers' Compensation Uninsured Employers' Fund was established within the State Accident Fund in accordance with Section 42-7-200.
- **2019**
 - Harry B. Gregory, Jr. replaced by Governor Henry McMaster as Director of the State Accident Fund.
 - Amy V. Cofield, Esq. appointed as Director of the State Accident Fund.
 - Proviso 75.2 established within the State Accident Fund a military disability program that provides a settlement for any such member of the National Guard that became permanently disabled while servicing during the catastrophic weather event in October 2015.

3. Agency directors and time of service.

Name of Director	Time of Service
Amy V. Cofield, Esq.	2019 - Present
Harry B. Gregory, Jr.	2004 - 2018
Irvin D. Parker	1986 - 2004
John W. Scott	1975 - 1986
L.L. McKenzie	1943 - 1975

C. Governing Body, Organizational Chart, and Related Entities

4. Agency's governing body, as outlined in the enabling statute.	Pursuant to Section 42-7-20 SAF is administered by a director appointed by the Governor for a term of six years with the advice and consent of the Senate. The agency director is accountable directly to the Governor.
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5. Qualifications and duties of the agency director and governing body, as specified in law.	<ul style="list-style-type: none">• Section 42-7-20 The Director is charged with the duties of providing for employment of office and field personnel necessary for the proper conduct of the business of the fund, which includes: determination of the amount of and the collection of annual charges; issuance of certificates of compliance; investigation of claims; adjustment and payment of claims and awards; inspection of risks; study and investigation with respect to safety provisions with recommendations to employers as to means of preventing injuries; medical examination of employees; prosecution of subrogation rights; and the inspection and auditing of employer records for the purpose of determining or verifying annual charges.
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6. (A) Organizational Units Details Chart.	See attached chart.
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(B) Has the agency ever conducted an employee engagement, climate, or similar survey? If yes, when was the last one and who conducted it?	Our agency conducts an employee satisfaction survey each year. SAF's Human Resource Department last conducted a survey in July 2019.
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(C) Does the agency conduct employee engagement, climate, or similar surveys on a regular basis? If yes, what is the frequency?	Yes. July of each fiscal year.
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7. Role and responsibilities of the agency compared to its counterpart entities, if any, at the federal and local levels.

SAF provides workers' compensation coverage for all South Carolina state agencies and those counties, municipalities, agencies and institutions thereof that elect to have coverage through SAF. The following entities provide similar coverage on the federal and local levels:

Federal counterparts

Civilian employees of the United States are covered under the Federal Employees Compensation Act (FECA), which is administered by the Department of Labor's Office of Workers' Compensation Programs (OWCP).

Local counterparts

South Carolina Association of Counties

A statewide organization, providing statutory workers' compensation coverage for county governments.

Municipal Association of South Carolina

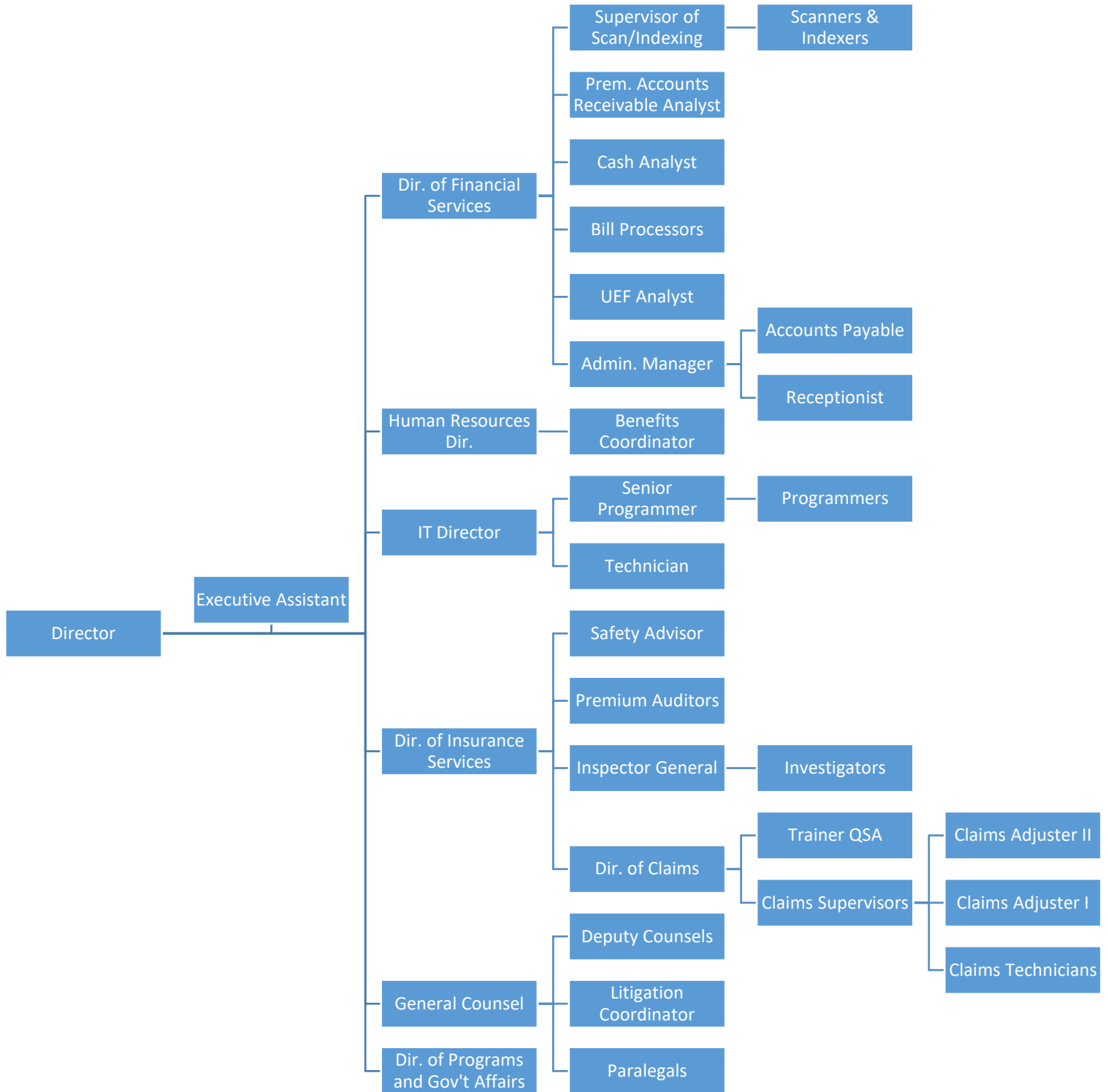
A cooperative local government program providing self-funded workers' compensation protection for municipal employees.

South Carolina School Board Insurance Trust

An insurer of workers' compensation coverage to South Carolina school districts.

*Please note, the local counterparts are SAF competitors when it pertains to non-state agency policyholders.

8. Organizational Chart.



D. Successes and Issues

9. 3-4 agency successes.

Briefly describe 3-4 agency successes.

- 1) After fourteen years, the State Accident Fund has a new Executive Director. As a result, many changes have occurred at SAF in the past year. The agency has increased its size 24.6%. This includes the addition of several new positions (Human Resources, Benefits, Inspector General, and Governmental Affairs/Program Manager), more adjusters, and additional safety and Information Technology personnel. These additional employees will help foster an improved work place and provide our policyholders with improved services to assist their injured workers, and ultimately, limit their out of work status.
- 2) The working organization of the agency has been revamped to encourage a better working environment with advancement opportunities for employees and the agency Organizational Chart has been updated to better reflect the operations of the agency.
- 3) SAF has changed its claims handling to reflect a philosophy of pro-active service for injured workers. New settlement and mediation procedures and new service vendors to minimize case expenses.
- 4) We are utilizing new Actuaries to assist SAF in producing better rates for our policyholders resulting in significant savings for South Carolina.

10. 3-4 agency challenges.

Briefly describe 3-4 agency challenges and preparations, if any, to address these issues.

- 1) The replacement of the current case management system remains a challenge for the State Accident Fund. Although this was underway some years ago, the selected system, after successful RFP, filed for Bankruptcy, leaving the Fund with the challenging task of selecting a new vendor utilizing the State's procurement process. We are currently working with Procurement Services to publish a new Request for Proposal (RFP).
 - 2) The lease for SAF's office space expired in 2014. Since that time, it operated on a month-to-month agreement with the current landlord. Upon her arrival as Executive Director, Amy Cofield immediately began working with Real Property Services to select a new office location. After a state RFP, a new location was selected and approved by the Joint Bond Review Committee (JBRC) and State Fiscal Accountability Authority (SFAA) in October 2019. The agency is expected to move prior to October 1, 2020, and it expects multiple challenges in managing costs and maintaining operational efficiency during that time.
 - 3) Under prior management (2004-2018), SAF lost over 150 policyholders. As the agency seeks to regain the business from these prior policyholders, as well as potential new policyholders, it faces competitive challenges from other workers' compensation insurers.
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- 4) As a State Agency, SAF is dependent on State Procurement and the Requests for Proposal (RFP) process to retain needed services and vendors to assist in the performance of our core functions. The agency has faced, and continue to face, delays in the procurement processes, which have negatively affected our ability to secure timely contracts for vital vendors and services.

11. 3-4 emerging issues. Briefly describe 3-4 emerging issues anticipated to have an impact on agency operations in the upcoming five years and preparations, if any, to address these issues.

- 1) **House Bills 4147 & 4777**
Members of the House have proposed two bills involving presumptions regarding PTSD in first responders (H. 4777) and certain occupational diseases in firefighters (H. 4147). SAF insures many of the State's police departments, fire departments, and other public safety entities. If passed, these two bills could have a significant impact on SAF and these employers, to include increased claims costs and premiums. SAF will continue to monitor these two bills and adjust procedures as necessary if passed.
- 2) **Staff Retention**
As the unemployment rate remains low and the economy continues to progress, the discrepancy in compensation between state and private industry will make it increasingly difficult to hire and retain quality employees. SAF is working to provide advancement opportunities within the agency and foster a positive work environment.
- 3) **Technology and security of information.**
Cyber security and insurance technology changes pose challenges for SAF, as a state agency, to keep up with trends and advancements within our industry especially in light of cost and selection restrictions imposed by state regulations. SAF has hired additional qualified IT staff and updated our systems and infrastructure, and is working to develop a comprehensive information security program. SAF is keeping up with those challenges by purchasing a Cyber Liability Policy procured by SFAA and providing additional staff training regarding the protection of information.
- 4) **Medical Marijuana**
The legalization of medical marijuana is spreading throughout the United States. As a result, workers' compensation carriers are being faced with the challenges of managing the use of medical marijuana in claims and the consequences of intoxication in the workplace and increased liability. SAF will continue to monitor laws in South Carolina and address concerns as they arise.
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II. Agency Records, Policies, and Risk Mitigation Practices

A. Records and Policies Management

12. (A) Agency's records management policy and the position or division responsible for managing this policy.	<p>In accordance with provisions of Title 30, Code of Laws of South Carolina, 1976, Sections 30-1-10 through 30-1-140 the State Accident Fund follows the below approved retention schedule.</p> <ul style="list-style-type: none">• 11798 – Workers' Compensation Claims Files (Open) Includes medical reports, legal actions, demographic and vital statistics, notice of award, and related correspondence. Agency shall retain six years after case is closed, delete or destroy.• 11799 – Workers' Compensation Claims Files (Closed) Closed claim files that were filed by employees injured on the job. Includes medical reports, legal actions, demographic and vital statistics, notice of award, and related correspondence. Agency shall retain two years. State records center will retain four years then destroy.• 13764 – Audit Files Used by premium auditors to create, audit, compile, estimate, and adjust policyholders' annual premium statements. Information included includes agencies payroll information, employee classifications, employee historical data, total annual premiums and other related correspondence. Agency shall retain six years then destroy.• 13765 – Annuities Used to establish annuities for claimant payments. Includes injured employee demographic information, benefit schedules, death certificates when applicable, policy numbers, and other related correspondence. Agency shall retain one year after the final annuity payment then destroy.
(B) Agency's status in regards to compliance with the records management policy and explanation for non-compliance, if the agency is non-compliant.	<p>Yes, SAF is in compliance.</p>

<p>13. Agency's schedule for regularly reviewing and updating, as necessary, all agency policies and explanation for lack of a schedule, if the agency does not have a schedule.</p>	<p>Under the leadership of SAF's new Executive Director, SAF is in the process of reviewing all agency policies and making revisions as necessary. Going forward SAF will formally be reviewing its policies every five (5) years.</p>
<p>14. (A) Agency's status in regards to compliance with S.C. Code Ann. §1-23-120(J) that requires agencies to conduct a formal review of its regulations every five years.</p>	<p>The statute does not currently permit the agency to promulgate regulations.</p>
<p>(B) Last time the agency conducted a formal review of its regulations.</p>	<p>N/A</p>
<p>(C) Last time the agency submitted new or revised regulations to the General Assembly.</p>	<p>N/A</p>
<p>15. How the agency collaborates with other agencies to seek funding (e.g. grant and federal funding).</p>	<p>N/A</p>
<p>16. Does the agency receive data from other state agencies, which require manual entry? If so, identify the state agencies and the associated data received.</p>	<p>SAF receives premium audit data from all state agencies. This data, mostly consisting of payroll information, is entered manually in SAF's underwriting system in order to formulate annual premium.</p> <p>SAF receives case specific data from agencies, e.g., wage information, employment history, incident reports, etc., related to active workers' compensation claims.</p>

B. Internal Audit and/or Other Risk Mitigation Practices

17. (A) Agency's internal audit process and/or other risk mitigation practices.

- **Claims Staff Audit**

In addition to their annual EPMS evaluation, Claim Adjusters are audited annually to ensure proper work performance in accordance with the law. Reviewed are areas such as timely payment of benefits, correct reserving practices, and proper settlement of claims.
- **Accounting Monthly Reconciliations**

Accounting conducts reconciliations of bank accounts, fund accounts, premium, and claims activity and conducts a monthly budget review of expenditures.
- **Email and Web Content Filter**

SAF uses email and web content filters to mitigate cyber security risks such as phishing, malware, and ransomware infections.
- **Separation of Duties**

SAF mitigates risk with separation of duties including multi-level approval processes and least privileged access. This is true for all departments.
- **Secured Recycle Bins**

SAF disposes of all Protected Health Information (PHI) via a secured shred disposal company.
- **Contract Attorney Evaluations**

At the close of each legal file, the claims adjuster provides feedback regarding the contract attorney's performance and overall handling of the file. Management and our Executive Director review these evaluations to ensure proper assignment and handling of SAF's legal files.
- **Training**

SAF regularly provides training in all departments including, but not limited to, Claims, Legal, Human Resources, Safety and Security, and IT.
- **Human Resources**

SAF's Human Resources Department implements several risk mitigation processes to ensure proper hiring and a productive work environment. Those processes include, but are not limited to, background and reference checks to reduce negligent hiring, exit interviews to identify trends or patterns, I9 Audits to ensure compliance with hiring and labor practices, and education for employees regarding time and attendance policies to avoid Fair Labor Standard Act violations.

(B) List of areas reviewed in agency internal audits during the last five years.

- Claims Management
- Accounting
- HR
- IT
- Business Support

18. Issues or recommendations from external reviews or audits conducted of the agency during the last five years, which the agency has not yet fully addressed or implemented.

Issue or Recommendation	Agency's Status in Addressing or Implementing	Date External Review or Audit completed	Entity Conducting the Audit or Review
None	None	Annually (Last completed September 27, 2019)	Auditor selected by the State Auditor's Office

III. Agency Spending

18. Finance Overview Chart. See attached Excel chart.

IV. Agency Deliverables

19. Deliverables Chart. See attached Excel chart.

V. Performance

20. Performance Measures Chart. See attached Excel chart.

VI. Agency Ideas and Recommendations for Law Changes

21. Recommendations for changes in law.

LAW CHANGE # 1			
Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
42-7-20	<p><u>Current Law:</u> Administration of the fund; Director.</p> <p><u>Recommendation:</u> Edit current statute to include minimum education and work experience requirements.</p>	Currently the state statute only requires that the Director of the State Accident Fund be appointed by the Governor with Senate approval. SAF would recommend some minimum requirements be added such as a college degree and some experience in the area of workers' compensation insurance.	<p><u>Presented and approved by agency's governing body:</u></p> <p><u>Other entities potentially impacted:</u></p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u></p>
Current Law Wording		Proposed Revisions to Law Wording	
<p>Administration of fund; director.</p> <p>The State Accident Fund shall be administered by a director appointed by the Governor for a term of six years with the advice and consent of the Senate. The administration shall provide for employment of office and field personnel necessary for the proper conduct of the business of the fund, to the extent of appropriations therefor, including the determination of the amount of and the collection of annual charges, the issuance of certificates of compliance with this article, the investigation of claims, the adjustment and payment of claims and awards, the inspection of risks, study and investigation with respect to safety provisions with recommendations to employers as to means of preventing injuries, medical examination of employees, and the prosecution of subrogation rights against any third party. The director may inspect and audit records of employers for the purpose of determining or verifying the amount of annual charges against such employers.</p>		<p>Administration of fund; director.</p> <p>The State Accident Fund shall be administered by a director appointed by the Governor for a term of six years with the advice and consent of the Senate. The appointed Director shall possess four (4) year college degree and a minimum five (5) years of experience in Workers' Compensation Insurance or Law. The administration shall provide for employment of office and field personnel necessary for the proper conduct of the business of the fund, to the extent of appropriations therefor, including the determination of the amount of and the collection of annual charges, the issuance of certificates of compliance with this article, the investigation of claims, the adjustment and payment of claims and awards, the inspection of risks, study and investigation with respect to safety provisions with recommendations to employers as to means of preventing injuries, medical examination of employees, and the prosecution of subrogation rights against any third party. The director may inspect and audit records of employers for the purpose of determining or verifying the amount of annual charges against such employers.</p>	

LAW CHANGE # 2

Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
42-1-390	<p>Currently an employer who has workers' compensation coverage, but then is no longer required to have it (i.e. no longer has four or more employees) cannot simply cancel coverage (like other types of insurance), but is additionally required to file a Form 38 with the SC Workers' Compensation Commission indicating its decision to cancel. The result of failing to file this form results in a finding that the employer IS STILL liable for an accident and injury. The average employer and insurance agent are unaware of this filing requirement which results in huge losses to employers who otherwise would not be liable. As a result, this liability is often shifted to the Uninsured Employers' Fund and our state.</p>	<p>This recommendation was previously made in a report of the Workers' Compensation Advisory Committee in 2009. These statutes and regulations are extremely cumbersome and conflicting, and cause significant confusion and subsequent litigation. This requirement ultimately forces uninsured employers genuinely believe they are exempt from the Act because they maintain a work force of less than four employees. Because, however, they failed to file a Form 38 with the Commission, they, as well as the taxpayers of South Carolina, become liable when the South Carolina Workers' Compensation Uninsured Employers' Fund steps into their shoes to pay their uninsured claims, and then, afterward, prosecutes a collection action against them.</p>	<p><u>Presented and approved by agency's governing body:</u></p> <p><u>Other entities potentially impacted:</u></p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u></p>

Current Law Wording	Proposed Revisions to Law Wording
<p>§ 42-1-380. Waiver of exemption by employer.</p> <p>Any person employing employees in the State and exempted from the mandatory provisions of this title may come in under the terms of this title and receive the benefits and be subject to the liabilities of this title by filing with the commission a written notice of his desire to be subject to the terms and provisions of this title. Any such person shall come under the provisions of this title and be affected thereby thirty days after the date of such notice.</p> <p>§ 42-1-390. Withdrawal of waiver of exemption by employer.</p> <p>Any employer who, having elected to come under this title, being at that time exempt from this title, and subsequently desiring to withdraw from under its terms, may give notice in writing either to the commission that he no longer is under the terms of this title or to his insurer who shall give notice in writing to the commission that the employer is no longer under the terms of this title. If the insurer does not give the notice to the commission as required by this section, the insurer shall pay a penalty of one thousand dollars to the commission which shall be used by the commission to offset the costs of administering the provisions of Title 42. In the case where the employer gives the notice to the commission that he no longer is under the terms of this title, the commission shall, in turn, within thirty days of receipt of the employer's notice, inform the employer, in writing, that he must provide written notification by a date certain to his employees of his withdrawal from the terms of this title; however, no employer is required to so notify his employees unless the commission informs him he must do so, as required by this section. At the expiration of sixty days from the date of written notice to the commission the employer no longer is liable under the terms of this title and may be permitted to set up any defense as he may be advised to any action brought against him for personal injury or death by accident to any employee.</p> <p>Regulation 67–403. Election to Adopt the Act. A. An employer adopts the Act by obtaining workers' compensation insurance or by operating under an approved self-insurance program. B. When an employer exempt from the Act has with its employees elected to operate under the Act and has filed notice of such agreement and complied with the provisions of the Act, the employer and its employees who have elected with the employer shall, until notice to the contrary is filed with the Commission, continue to operate under the Act without additional election.</p>	<p>Repeal Regulation 67-403 and Regulation 67-404 amend §42-1-380 and §42-1-390 as follows:</p> <p>§42-1-380 -Any person employing employees in the State and exempted from the mandatory provisions of this title may come in under the terms of this title and receive the benefits and be subject to the liabilities of this title by purchasing workers' compensation insurance or by operating under an approved self-insurance program. filing with the commission a written notice of his desire to be subject to the terms and provisions of this title. Any such person shall come under the provisions of this title and be affected thereby thirty days after the date of such notice.</p> <p>§42-1-390 – Withdrawal of waiver of exemption by employer.</p> <p>Any employer who, having elected to come under this title, being at that time exempt from this title, and subsequently desiring to withdraw from under its terms, may give notice by cancelling its workers' compensation insurance or self-insurance privileges. in writing either to the commission that he no longer is under the terms of this title or to his insurer who shall give notice in writing to the commission that the employer is no longer under the terms of this title. If the insurer does not give the notice to the commission as required by this section, the insurer shall pay a penalty of one thousand dollars to the commission which shall be used by the commission to offset the costs of administering the provisions of Title 42. In the case where the employer gives the notice to the commission that he no longer is under the terms of this title, the commission shall, in turn, within thirty days of receipt of the employer's notice, inform the employer, in writing, that he must provide written notification by a date certain to his employees of his withdrawal from the terms of this title; however, no employer is required to so notify his employees unless the commission informs him he must do so, as required by this section. At the expiration of sixty days from the date of written notice to the commission the employer no longer is liable under the terms of this title and may be permitted to set up any defense as he may be advised to any action brought against him for personal injury or death by accident to any employee</p> <p>Regulation 67–403. Election to Adopt the Act. A. An employer adopts the Act by obtaining workers' compensation insurance or by operating under an approved self-insurance program. B. When an employer exempt from the Act has with its employees elected to operate under the Act and has filed notice of such agreement and complied with the provisions of the Act, the employer and its employees who have elected with the employer shall, until notice to the contrary is filed with the Commission, continue to operate under the Act without additional election.</p>

Regulation 67-404. Withdrawing from the Act. A. An employer who, having elected to come under the Act, being at that time exempt, is deemed to continue to operate under the Act until a Form 38, Notice of Withdrawal from the Act, is filed with the Commission's Coverage and Compliance Department and its employees are provided written notice in section B below. B. An employer shall withdraw from the Act by filing a Form 38 with the Coverage and Compliance Department as in subsection B(1), or, by notifying its insurance carrier as in subsection B(2) below. (1) The employer shall complete and file with the Coverage and Compliance Department the original and one copy of a Form 38. (a) Upon receipt of a completed, signed, and notarized Form 38, the Coverage and Compliance Department will return to the employer an approved Form 38. (b) The effective date of withdrawal, sixty days from the date of filing, will appear on the form. (c) The employer shall provide notice to its employees before the effective date of withdrawal by posting the approved Form 38 conspicuously in the place of employment or by giving each employee, personally, a copy of the approved Form 38. (2) If the employer elects to withdraw from the Act by notifying in writing its workers' compensation insurance carrier, the employer's representative shall provide notice to the Commission by taking the following action: (a) Before the effective date of the employer's insurance policy's cancellation, the insurance carrier shall complete and file with the Coverage and Compliance Department the original and one copy of a Form 38 signed by the employer. (b) Upon receipt of a completed, signed, and notarized Form 38, the Coverage and Compliance Department will return to the insurance carrier an approved Form 38. The insurance carrier shall give the approved Form 38 to the employer. (c) The effective date of withdrawal, sixty days from the date of filing, will appear on the form. (d) The employer shall provide notice to its employees as in B(1)(c) above. C. The insurance carrier's filing a policy cancellation or termination notice with the Coverage and Compliance Department or the National Council on Compensation Insurance shall not operate as notice of withdrawal from the Act. The insurance carrier shall file the Form 38 in addition to a notice of termination required in R.67-405. D. A nonexempt employer, becoming exempt from the insurance provisions of this Chapter and the Act, may file an exemption with the Coverage and Compliance Department as provided below: (1) File a Form 38, an attached affidavit, and supporting documentation with the Coverage and Compliance Department. (2) The affidavit and supporting documentation must establish the employment and the employer are exempt from the insurance provisions of the Act. (3) The form is subject to approval by the department if the supporting documentation establishes an exemption under the Act. (4) It is the employer's responsibility to assure compliance with the insurance provisions of the Act. (a) A Form 38 approved according to this Regulation creates a rebuttable presumption of exemption from the Act. (b) An exemption established by

Regulation 67-404. Withdrawing from the Act. A. An employer who, having elected to come under the Act, being at that time exempt, is deemed to continue to operate under the Act until a Form 38, Notice of Withdrawal from the Act, is filed with the Commission's Coverage and Compliance Department and its employees are provided written notice in section B below. B. An employer shall withdraw from the Act by filing a Form 38 with the Coverage and Compliance Department as in subsection B(1), or, by notifying its insurance carrier as in subsection B(2) below. (1) The employer shall complete and file with the Coverage and Compliance Department the original and one copy of a Form 38. (a) Upon receipt of a completed, signed, and notarized Form 38, the Coverage and Compliance Department will return to the employer an approved Form 38. (b) The effective date of withdrawal, sixty days from the date of filing, will appear on the form. (c) The employer shall provide notice to its employees before the effective date of withdrawal by posting the approved Form 38 conspicuously in the place of employment or by giving each employee, personally, a copy of the approved Form 38. (2) If the employer elects to withdraw from the Act by notifying in writing its workers' compensation insurance carrier, the employer's representative shall provide notice to the Commission by taking the following action: (a) Before the effective date of the employer's insurance policy's cancellation, the insurance carrier shall complete and file with the Coverage and Compliance Department the original and one copy of a Form 38 signed by the employer. (b) Upon receipt of a completed, signed, and notarized Form 38, the Coverage and Compliance Department will return to the insurance carrier an approved Form 38. The insurance carrier shall give the approved Form 38 to the employer. (c) The effective date of withdrawal, sixty days from the date of filing, will appear on the form. (d) The employer shall provide notice to its employees as in B(1)(c) above. C. The insurance carrier's filing a policy cancellation or termination notice with the Coverage and Compliance Department or the National Council on Compensation Insurance shall not operate as notice of withdrawal from the Act. The insurance carrier shall file the Form 38 in addition to a notice of termination required in R.67-405. D. A nonexempt employer, becoming exempt from the insurance provisions of this Chapter and the Act, may file an exemption with the Coverage and Compliance Department as provided below: (1) File a Form 38, an attached affidavit, and supporting documentation with the Coverage and Compliance Department. (2) The affidavit and supporting documentation must establish the employment and the employer are exempt from the insurance provisions of the Act. (3) The form is subject to approval by the department if the supporting documentation establishes an exemption under the Act. (4) It is the employer's responsibility to assure compliance with the insurance provisions of the Act. (a) A Form 38 approved according to this Regulation creates a rebuttable presumption of exemption from the Act. (b) An exemption established by a Form 38 shall not prevent the department from investigating and, if necessary, requesting prosecution of the employer. (5) The Commission may impose the maximum penalty and

a Form 38 shall not prevent the department from investigating and, if necessary, requesting prosecution of the employer. (5) The Commission may impose the maximum penalty and fine available against the employer who, although previously exempt from the Act, then operates subject to the Act and fails to comply with the insurance provisions of this Chapter and the Act.

~~fine available against the employer who, although previously exempt from the Act, then operates subject to the Act and fails to comply with the insurance provisions of this Chapter and the Act.~~

LAW CHANGE # _____

Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
	<u>Current Law:</u> <u>Recommendation:</u>		<u>Presented and approved by agency's governing body:</u> <u>Other entities potentially impacted:</u> <u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u>
Current Law Wording		Proposed Revisions to Law Wording	

LAW CHANGE # _____

Law	Summary of Current Law(s) and Recommended Change(s)	Basis for Recommendation	Approval and Others Impacted
	<p><u>Current Law:</u></p> <p><u>Recommendation:</u></p>		<p><u>Presented and approved by agency's governing body:</u></p> <p><u>Other entities potentially impacted:</u></p> <p><u>If the law is a regulation, where agency is in the process of finalizing it and providing it to the General Assembly:</u></p>
Current Law Wording		Proposed Revisions to Law Wording	

VII. Feedback (Optional)

Agency feedback

22. (A) Other questions that may help the Committee and public understand how the agency operates, budgets, and performs

Insert answer

(B) Best ways for the Committee to compare the specific results the agency obtained with the resources the agency invested

Insert answer

(C) Changes to the report questions, format, etc., agency representatives would recommend.

Insert answer

(D) Benefits agency representatives see in the public having access to the information in this report.

Insert answer

(E) Two to three things agency representatives could do differently next time (or it could advise other agencies to do) to complete the report in less time and at a lower cost to the agency.

Insert answer

(F) Other comments or suggestions from the agency.

Insert answer

Organizational Unit Details

	A	B	C	D
1	Agency			
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5	Name of organizational unit	Management Support	Business Support	
6	Purpose of organizational unit	This unit mainly focuses on the overall operations and high-level decisions that go into running SAF. The salary and expenses represent that of the Executive Director, Executive Assistant, and Director of Insurance Services.	Accounting, Human Resources, and Records Management are all divisions of the Business Support Team. Human Resources, includes, but is not limited to payroll duties, benefits administration, employee relations, and staffing. Accounting encompasses accounts payable, accounts receivable, and financial reporting for all agency responsibilities. Records Management focuses on maintaining all items scanned into our systems as well as mail and postage duties.	
7				
8				
9	Exit interviews or surveys performed?			
10	2018-19	Yes	Yes	
11	2017-18	Yes	Yes	
12	2016-17	Yes	Yes	
13				
14	Employee satisfaction tracked?			
15	2018-19	Yes	Yes	
16	2017-18	Yes	Yes	
17	2016-17	Yes	Yes	
18				
19	Anonymous employee feedback allowed?			
20	2018-19	Yes	Yes	
21	2017-18	Yes	Yes	
22	2016-17	Yes	Yes	
23				
24	Number of employees (all types) in the unit			
25	Start of fiscal year			
26	2018-19	1.00	7.00	
27	2017-18	1.00	9.00	
28	2016-17	2.00	8.00	
29	End of fiscal year			
30	2018-19	3.00	10.00	
31	2017-18	1.00	9.00	
32	2016-17	1.00	9.00	
33	Leave the unit during fiscal year			
34	2018-19	1.00	0.00	
35	2017-18	0.00	1.00	
36	2016-17	1.00	2.00	
37				
38	Turnover rate			
39	2018-19	50.00%	0.00%	
40	2017-18	0.00%	11.11%	
41	2016-17	66.67%	23.53%	
42				
43	Agency Comments (Optional)	The count of employees required for this unit is lower therefore the percentage will be skewed.		

Organizational Unit Details

A		E	F
1	Agency		
2	State Accident Fund		
3	Accurate as of		
4	March 6, 2020		
5	Name of organizational unit	Claims	Legal
6	Purpose of organizational unit	SAF's Claims Department is responsible for receiving and processing all workers' compensation claims from covered policyholders. The Claims Team, which is comprised of claim adjusters, claim technicians, and supervisors, work with all other organizational units to provide the appropriate medical and indemnity benefits to injured workers.	Per 42-7-30 legal representation for the SAF shall be provided by a chief counsel and such staff attorneys as are necessary appointed by the director of the fund with approval of the Attorney General. SAF's legal team provides legal advice and representation for SAF and its covered agencies. It also represents the UEF in all legal matters.
7			
8			
9	Exit interviews or surveys performed?		
10	2018-19	Yes	Yes
11	2017-18	Yes	Yes
12	2016-17	Yes	Yes
13			
14	Employee satisfaction tracked?		
15	2018-19	Yes	Yes
16	2017-18	Yes	Yes
17	2016-17	Yes	Yes
18			
19	Anonymous employee feedback allowed?		
20	2018-19	Yes	Yes
21	2017-18	Yes	Yes
22	2016-17	Yes	Yes
23			
24	Number of employees (all types) in the unit		
25	Start of fiscal year		
26	2018-19	27.00	7.00
27	2017-18	26.00	5.00
28	2016-17	25.00	5.00
29	End of fiscal year		
30	2018-19	26.00	6.00
31	2017-18	27.00	7.00
32	2016-17	27.00	5.00
33	Leave the unit during fiscal year		
34	2018-19	6.00	2.00
35	2017-18	1.00	0.00
36	2016-17	5.00	0.00
37			
38	Turnover rate		
39	2018-19	22.64%	30.77%
40	2017-18	3.77%	0.00%
41	2016-17	19.23%	0.00%
42			
43	Agency Comments (Optional)		The count of employees required for this unit is lower therefore the percentage will be skewed.

Organizational Unit Details

	A	B	G	H	I
1	Agency				
2	State Accident Fund				
3	Accurate as of				
4	March 6, 2020				
5	Name of organizational unit	Policyholder Services	Special Investigations Unit	Information Technology	
6	Purpose of organizational unit	Policyholder Services consists of Premium Auditors and Safety and Loss Control Specialists. Premium Auditors compile and analyze data in order to establish premiums for each policyholder individually and for the entire book of SAF business. Safety Specialists provide guidance and training to policyholders in pursuit of safer workplaces for their employees and in order to reduce claim costs.	To perform in-depth investigations and provide investigative support on workers' compensation claims regarding compensability, dependency, surveillance, and, fraud. In performing these duties, we coordinate with external investigative firms and other governmental entities.	The Information Technology team supports all critical business applications. This team is responsible for implementing and maintaining the systems that are used to meet business goals, and provide end-user support for all staff members.	
7					
8					
9	Exit interviews or surveys performed?				
10	2018-19	Yes	Yes	Yes	
11	2017-18	Yes	Yes	Yes	
12	2016-17	Yes	Yes	Yes	
13					
14	Employee satisfaction tracked?				
15	2018-19	Yes	Yes	Yes	
16	2017-18	Yes	Yes	Yes	
17	2016-17	Yes	Yes	Yes	
18					
19	Anonymous employee feedback allowed?				
20	2018-19	Yes	Yes	Yes	
21	2017-18	Yes	Yes	Yes	
22	2016-17	Yes	Yes	Yes	
23					
24	Number of employees (all types) in the unit				
25	Start of fiscal year				
26	2018-19	3.00	2.00	9.00	
27	2017-18	3.00	2.00	10.00	
28	2016-17	3.00	2.00	10.00	
29	End of fiscal year				
30	2018-19	3.00	2.00	11.00	
31	2017-18	3.00	2.00	9.00	
32	2016-17	3.00	2.00	10.00	
33	Leave the unit during fiscal year				
34	2018-19	0.00	1.00	3.00	
35	2017-18	0.00	0.00	1.00	
36	2016-17	0.00	0.00	0.00	
37					
38	Turnover rate				
39	2018-19	0.00%	50.00%	30.00%	
40	2017-18	0.00%	0.00%	10.53%	
41	2016-17	0.00%	0.00%	0.00%	
42					
43	Agency Comments (Optional)		The count of employees required for this unit is lower therefore the percentage will be scewed.		

Organizational Unit Details

	A	J	K
1	Agency		
2	State Accident Fund		
3	Accurate as of		
4	March 6, 2020		
5	Name of organizational unit	Uninsured Employers' Fund	Military Disability Program
6	Purpose of organizational unit	The Uninsured Employers' Fund established by Section 42-7-200 was created to ensure payment of workers' compensation benefits to injured employees whose employers have failed to acquire necessary coverage for employees in accordance with provisions of this section. This organization unit includes all of the necessary positions for full operation as a separate division of State Accident Fund.	Created by Proviso 75.2 of the 2019-2020 South Carolina General Appropriations Act, SAF was tasked with creating a military disability program that provides a settlement for any such member of the National Guard that became permanently disabled while serving during the catastrophic weather event in October 2015.
7			
8			
9	Exit interviews or surveys performed?		
10	2018-19	Yes	Yes
11	2017-18	Yes	Yes
12	2016-17	Yes	Yes
13			
14	Employee satisfaction tracked?		
15	2018-19	Yes	Yes
16	2017-18	Yes	Yes
17	2016-17	Yes	Yes
18			
19	Anonymous employee feedback allowed?		
20	2018-19	Yes	Yes
21	2017-18	Yes	Yes
22	2016-17	Yes	Yes
23			
24	Number of employees (all types) in the unit		
25	Start of fiscal year		
26	2018-19	6.00	0.00
27	2017-18	8.00	0.00
28	2016-17	7.00	0.00
29	End of fiscal year		
30	2018-19	6.00	0.00
31	2017-18	8.00	0.00
32	2016-17	8.00	0.00
33	Leave the unit during fiscal year		
34	2018-19	2.00	0.00
35	2017-18	2.00	0.00
36	2016-17	0.00	0.00
37			
38	Turnover rate		
39	2018-19	33.33%	Agency did not have employees in this unit
40	2017-18	25.00%	Agency did not have employees in this unit
41	2016-17	0.00%	Agency did not have employees in this unit
42			
43	Agency Comments (Optional)	The count of employees required for this unit is lower therefore the percentage will be skewed.	

Finance Overview

	A	B	C	D
1	Agency			
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5				
6		2018-19		
7		General Funds	Other Funds	Federal Funds
8	How much was the agency appropriated and authorized to spend during the fiscal year?		\$8,863,100	
9	Enter any additional other or federal funds authorization received during the fiscal year.			
10	Enter the total actual expenditures during the fiscal year.		\$4,962,422	
11	How much did the agency carry forward? (Total amount)			
12	10% Carry forward (General Carry Forwards)			
13	Special Carry forward			
14	How much cash did the agency have at the end of the fiscal year that it was not authorized to spend?			
15				
16	Agency Direct Losses for claims incurred (Direct losses are not reflected in operational expenses). ⁽¹⁾		\$56,511,996	
17				
18	If the agency received additional federal funds authorization, please note why and when the request was made.	N/A		
19	If the agency received additional other funds authorization, please note why and when the request was made.	N/A		
20	Please provide detail regarding why the agency has cash balances. Does the agency expect to spend down these balances?	N/A		
21				

Finance Overview

	A	B	C	D
22	Additional comments from agency (optional)	Notes: (1) - Agency accounts for premium revenue The associated Direct Losses should be accounted not have carry forward balances due to the agency Any authorized funds left unspent do not add to bu next fiscal year.		

Finance Overview

	E	F	G	H	I	J	K	
1								
2								
3								
4								
5								
6			2017-18					
7	Total		General Funds	Other Funds	Federal Funds	Total		
8	\$8,863,100			\$9,959,480		\$9,959,480		
9	\$0					\$0		
10	\$4,962,422			\$5,406,520		\$5,406,520		
11	\$0					\$0		
12	\$0					\$0		
13	\$0					\$0		
14	\$0					\$0		
15								
16	\$56,511,996			\$57,929,269		\$57,929,269		
17								
18			N/A					
19			N/A					
20			N/A					
21								

The contents of this chart are considered sworn testimony from the agency director.

Finance Overview

	E	F	G	H	I	J	K
22	<p>in Deliverable 1. for as well. **We do being other funded. udgeted funds for the</p>						

Finance Overview

	L	M	N	O
1				
2				
3				
4				
5				
6	<u>2016-17</u>			
7	General Funds	Other Funds	Federal Funds	Total
8		\$9,959,480		\$9,959,480
9				\$0
10		\$5,749,583		\$5,749,583
11				\$0
12				\$0
13				\$0
14				\$0
15				
16		\$55,126,672		\$55,126,672
17				
18	N/A			
19	N/A			
20	N/A			
21				

The contents of this chart are considered sworn testimony from the agency director.

Finance Overview

	L	M	N	O
22				

Deliverables

A	B	C	D	E
1	Agency			
2	State Accident Fund			
3	Accurate as of March 6, 2020			
4				
5				
6	Deliverable			
7	Item number	1		2
8	Associated laws	42-7-50; 42-7-70; 42-7-75		42-7-20
9	Does state or federal law specifically require this deliverable?	Yes		Yes
10	Deliverable description	Premium Activities - (1) Gather information to determine the amount of annual premium for policyholders, (2) Calculate annual premium for individual policyholders, (3) Send invoices to policyholders based on the calculated premium, (4) Collect premium from policyholders, (5) Provide requested information to policyholders regarding premium and coverage.		Safety & Loss Control - (1) Conduct safety and loss control training and consultation to SAF's policyholders to help reduce workplace injuries, (2) Provide courtesy inspections as requested by the policyholder, (3) Provide and coordinate safety and inspections within SAF.
11	Responsible organizational unit (primary)	Policyholder Services		Policyholder Services
12				
13	Results Sought			
14	Does the legislature state intent, findings, or purpose? Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency, subject to clarification from the legislature)?	Yes To collect premium from policyholders in order to pay the claims and administrative costs of SAF.		Yes To provide assistance, through inspections and training, to policyholders trying to reduce their number of workers' compensation claims or trying to develop a safety department or policies.
15	Associated performance measure item numbers from the Performance Measures Chart, if any	1; 2; 4; 5; 11; 12		1; 2
16				
17	Customer Details		There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.
18	Customer description	SAF Policyholders		SAF Policyholders
19	Does the agency evaluate customer satisfaction?	Yes		Yes
20	Counties served in last completed fiscal year	All		All
21	Number of customers served	2018-19 574		172
22		2017-18 579		155
23		2016-17 594		135
24				
25				
26	Units Provided and Amounts Charged to Customers			
27	Description of a single deliverable unit	A workers' compensation policy.		A visit, meeting, training class, or inspection.
28	Number of units provided	2018-19 574		172
29		2017-18 579		155
30		2016-17 594		135
31	Does law prohibit charging the customer for the deliverable?	No		No
32	If yes, provide law			
33				
34	If yes, provide law			
35				
36	If yes, provide law			
37	Amount charged to customer per deliverable unit	2018-19 \$250.00 to \$7,705,382.00		\$0.00
38		2017-18 \$250.00 to \$7,984,042.00		\$0.00
39		2016-17 \$250.00 to \$8,858,480.00		\$0.00
40				
41	Costs		After discussing SAF premiums and claims expense internally, we determined that total expenses, to include direct losses, should be included in the cost associated with providing the deliverables. If revenue is going to be captured, to include premiums collected, the direct losses paid should also be included. [Agency Identified direct Losses for SAF claims incurred were \$55,125,223 (FY19), \$5,077,200 (FY18), and \$9,769,927 (FY17)]. These numbers are no longer current. Please see updated figures in spreadsheet.	
42	Total employee equivalents required (37.5 hour per week units)	2018-19 2.00		1.00
43		2017-18 2.00		2.00
44		2016-17 2.00		2.00
45	Spent on all			
46	Total deliverable expenditures each year (operational and employee salary/fringe)	2018-19 \$268,344.40		\$116,900.72
47		2017-18 \$234,566.47		\$98,752.92
48		2016-17 \$240,958.16		\$100,560.76
49	Total deliverable expenditures as a percentage of total agency expenditures	2018-19 0.44%		0.19%
50		2017-18 0.37%		0.16%
51		2016-17 0.40%		0.17%
52	Agency expenditures per unit of the deliverable	2018-19 \$467.50		\$679.66
53		2017-18 \$405.12		\$637.12
54		2016-17 \$405.65		\$744.89
55				
56				
57	Amount collected from providing deliverable		Are you able to breakout the state agency premiums from your non-state premiums? The state premiums would go into rows 59-61 and non-state premiums into rows 62-64. The formula in rows 65-67 will tally these amounts. SAF Response: These are now broken out per the below.	
58	Total collected from charging customers	2018-19 \$55,523,550.00		
59		2017-18 \$56,396,665.00		
60		2016-17 \$55,864,641.00		
61	Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)	2018-19 \$13,024,042.00		
62		2017-18 \$14,099,166.00		
63		2016-17 \$15,700,283.00		
64	Total collected from charging customers and non-state sources	2018-19 \$68,547,592.00		\$0.00
65		2017-18 \$70,495,831.00		\$0.00
66		2016-17 \$71,364,924.00		\$0.00
67				
68	Agency Comments			
69	Additional comments from agency (optional)	Providing charges for total premium collected from all policyholders (Source: Audited Financial Statements). These cover all deliverables except UEF as we do not have any other charges.		
70				

Deliverables

A	B	F	G
1	Agency		
2	State Accident Fund		
3	Accurate as of March 6, 2020		
4			
5			
6	Deliverable		
7	Item number 3	4	
8	Associated laws 42-7-20; 42-7-60; 42-7-65; 42-7-67; 42-7-80; 42-7-90; 42-9-10; 42-9-20; 42-9-30;	42-7-200	
9	Does state or federal law specifically require this deliverable?	Yes	Yes
10	Deliverable description	Claims Management (SAF) - (1) Receive first reports of injury from policyholders, (2) Review individual claims to determine compensability under the South Carolina Workers' Compensation Act, (3) Direct medical care of injured worker to appropriate providers (4) Claim adjusters ensure proper payment of medical and indemnity benefits in accepted claims, (5) Provide workers' compensation training to all policyholders and their employees.	Claims Management (UEF) - (1) Receive Form 50 via Workers Compensation Commission (WCC) or order of the WCC, (2) Investigate employer liability, (3) Assume responsibility for claim benefits as ordered by the WCC, (4) Direct medical care of injured worker to appropriate providers, (5) Claim adjusters ensure proper payment of medical and indemnity benefits as ordered.
11	Responsible organizational unit (primary)	Claims	UEF
12			
13	Results Sought		
14	Does the legislature state intent, findings, or purpose? Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency subject to clarification from the legislature)?	Yes To provide proper benefits and claim services to the injured employees of SAF policyholders.	Yes To provide proper benefits and claim services to the injured employees of uninsured employers.
15	Associated performance measure item numbers from the Performance Measures Chart, if any	1; 2; 6; 7; 8; 9; 14; 15	None
16			
17	Customer Details	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.
18			
19	Customer description	Injured Workers; Dependents of Injured Workers	Injured Workers; Dependents of Injured Workers
20	Does the agency evaluate customer satisfaction?	Yes	No
21	Counties served in last completed fiscal year	All	All
22	Number of customers served	3,848	192
23		3,853	207
24		4,133	261
25			
26	Units Provided and Amounts Charged to Customers		
27	Description of a single deliverable unit	A workers' compensation claim filed against an SAF policyholder.	An uninsured workers' compensation claim filed against and uninsured employer and the UEF.
28	Number of units provided	3,848	192
29		3,853	207
30		4,133	261
31	Does law prohibit charging the customer for the deliverable?	No	No
32	If yes,		
33			
34	If yes,		
35			
36	If yes,		
37	Amount charged to customer per deliverable unit	\$0.00	\$0.00
38		\$0.00	\$0.00
39		\$0.00	\$0.00
40			
41	Costs		
42	Total employee equivalents required (37.5 hour per week units)	26.00	3.00
43		26.00	3.00
44		26.00	3.00
45	Spent on all		
46	Total deliverable expenditures each year (operational and employee salary/fringe)	\$50,228,250.35	\$6,046,301.08
47	\$61,474,418	\$51,771,062.32	\$6,436,064.72
48	\$63,335,789	\$52,130,278.20	\$4,007,212.52
49	Total agency expenditures		
50	\$61,474,418	81.71%	9.84%
51	\$63,335,789	81.74%	10.16%
52	\$60,876,255	85.63%	6.58%
53	Agency expenditures per unit of the deliverable		
54		\$13,053.08	\$31,491.15
55		\$13,436.56	\$31,092.10
56		\$12,613.18	\$15,353.30
57			
58	Amount collected from providing deliverable		
59	Total collected from charging customers		
60			
61			
62	Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)		
63			
64	Total collected from charging customers and non-state sources	\$0.00	\$0.00
65		\$0.00	\$0.00
66		\$0.00	\$0.00
67		\$0.00	\$0.00
68			
69	Agency Comments		
70	Additional comments from agency (optional)	Claims expense payments are not included in operating budgeted fund expenditures. Our Direct Losses for SAF claims incurred were \$50,439,467.00 (FY19), \$51,773,050.00 (FY18), and \$51,609,609.00 (FY17). These are not the operational losses. Our operational costs for the three years are as follows; (FY19) \$1,561,577.00, (FY18) \$1,615,782.16, (FY17) \$1,626,372.87	Claims expense payments are not included in operating budgeted fund expenditures. Our Direct Losses for UEF claims incurred were \$6,072,529.00(FY19), \$6,156,219.00 (FY18), and \$3,517,063.00 (FY17). These are not the operational losses. Our operational costs for the UEF are as follows; (FY19) \$543,091.92, (FY18) \$660,989.82, (FY17) \$672,301.06

Deliverables

A	B	H	I
1	Agency		
2	State Accident Fund		
3	Accurate as of March 6, 2020		
4			
5			
6	Deliverable		
7	Item number 5	Associated laws 42-7-200; 42-7-310; 42-1-560	6 42-7-20
8			
9	Does state or federal law specifically require this deliverable?	Yes	Yes
10	Deliverable description	Claim Expense Recovery - (1) Pursue and recover claims costs from at-fault parties, (2) Pursue and recover claim costs from uninsured employers and other responsible parties, (3) Request reimbursement from the Insurance Reserve Fund for claim payments in Second Injury Fund (SIF) accepted cases, (4) Request reimbursement of claims costs from reinsurers on qualifying events.	Claim Investigations - (1) Perform in-depth investigations regarding the compensability of workers' compensation claims as requested by the policyholder or adjuster, (2) Perform dependency investigations in cases involving the death of a claimant, (3) Coordinate referrals to outside surveillance firms, (4) Investigate claims for fraud and makes referrals to the South Carolina Attorney General's Office for possible prosecution.
11	Responsible organizational unit (primary)	Claims	Special Investigations Unit
12			
13	Results Sought		
14	Does the legislature state intent, findings, or purpose?	Yes	Yes
15	Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency subject to clarification from the legislature)?	To pursue and recover claim costs associated with at-fault parties, uninsured employers, accepted SIF cases, and qualifying reinsurance events.	To perform in-depth investigations regarding the compensability of claims, investigate known dependents in all death cases, and refer potential fraud cases to the Attorney General's Office. This service is required to ensure the state is paying for legitimate workers' compensation claims and to also identify potential fraud.
16	Associated performance measure item numbers from the Performance Measures Chart, if any	15	1; 2
17			
18	Customer Details	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.
19	Customer description	SAF Policyholders	Internal Claim Adjusters
20	Does the agency evaluate customer satisfaction?	Yes	Yes
21	Counties served in last completed fiscal year	All	All
22	Number of customers served	574	293
23		579	421
24		594	400
25			
26	Units Provided and Amounts Charged to Customers		
27	Description of a single deliverable unit	The total SAF collected from subrogating claims with at-fault parties, uninsured employers, accepted SIF cases, and qualifying reinsurance events.	An opened compensability investigation, dependency investigation, or surveillance referral.
28	Number of units provided	\$5,444,014.00	293
29		\$7,132,862.00	421
30		\$4,449,973.00	400
31	Does law prohibit charging the customer for the deliverable?	No	No
32	If yes,		
33			
34	If yes,		
35			
36	If yes,		
37	Amount charged to customer per deliverable unit	\$0.00	\$0.00
38		\$0.00	\$0.00
39		\$0.00	\$0.00
40			
41	Costs		
42	Total employee equivalents required (37.5 hour per week units)	1.00	2.00
43		1.00	2.00
44		1.00	2.00
45	Spent on all		
46	\$61,474,418	\$79,653.28	\$205,167.16
47	\$63,335,789	\$56,856.63	\$184,668.28
48	\$60,876,255	\$60,591.07	\$188,740.25
49	Total agency		
50	\$61,474,418	0.13%	0.33%
51	\$63,335,789	0.09%	0.29%
52	\$60,876,255	0.10%	0.31%
53	Agency expenditures per unit of the deliverable	\$0.01	\$700.23
54		\$0.01	\$438.64
55		\$0.01	\$471.85
56			
57	Amount collected from providing deliverable		
58			
59	Total collected from charging customers		
60			
61			
62	Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)		
63			
64	Total collected from charging customers and non-state sources	\$0.00	\$0.00
65		\$0.00	\$0.00
66		\$0.00	\$0.00
67			
68	Agency Comments		
69	Additional comments from agency (optional)		
70			

Deliverables

A	B	J	K
1	Agency		
2	State Accident Fund		
3	Accurate as of March 6, 2020		
4			
5			
6	Deliverable		
7	Item number 7	8	
	Associated laws 42-7-30	42-7-30	
8			
9	Does state or federal law specifically require this deliverable?	Yes	No
	Deliverable description	Legal Representation (SAF In-House Counsel) - (1) Consult with and advises claims staff and policyholders regarding legal issues and pending claims, (2) Represent SAF, UEF, and policyholders in legal matters before the WCC, SC Circuit Courts, and SC Appellate Courts, (3) Advise SAF management and staff regarding legal matters concerning the agency.	Legal Representation (Outside counsel hired by SAF) - (1) Consult with and advises claims staff and policyholders regarding legal issues and pending claims, (2) Represent SAF, UEF, and policyholders in legal matters before the WCC, SC Circuit Courts, and SC Appellate Courts, (3) Coordinate representation of SAF and UEF by outside counsel as permitted under §42-7-30,
10			
11	Responsible organizational unit (primary)	Legal	Legal
12			
13	Results Sought		
14	Does the legislature state intent, findings, or purpose?	Yes	Yes
	Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency subject to clarification from the legislature)?	To represent SAF, UEF, and it's policyholders in legal matters and to advise SAF staff when needed.	To represent SAF, UEF, and it's policyholders in all legal matters.
15			
16	Associated performance measure item numbers from the Performance Measures Chart, if any	1; 2	
17			
18	Customer Details	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	
19	Customer description	Internal Claim Adjusters	
20	Does the agency evaluate customer satisfaction?	Yes	Yes
21	Counties served in last completed fiscal year	All	All
22	Number of customers served	294	498
23		319	589
24		337	560
25			
26	Units Provided and Amounts Charged to Customers		
	Description of a single deliverable unit	An opened legal file during the requested time period.	An opened legal file contracted to outside counsel during the requested time period.
27			
28	Number of units provided	294	498
29		319	589
30		337	560
31	Does law prohibit charging the customer for the deliverable?	No	
32	If yes,		
33	If yes,		
34	If yes,		
35	If yes,		
36	Amount charged to customer per deliverable unit	\$0.00	\$0.00
37		\$0.00	\$0.00
38		\$0.00	\$0.00
39		\$0.00	\$0.00
40			
41	Costs		
42	Total employee equivalents required (37.5 hour per week units)	8.00	1.00
43		8.00	1.00
44		8.00	1.00
45	Spent on all		
46	\$61,474,418	\$543,421.37	\$2,406,019.27
47	\$63,335,789	\$537,832.87	\$2,063,326.98
48	\$60,876,255	\$434,056.02	\$1,349,637.38
49	Total agency		
50	\$61,474,418	0.88%	3.91%
51	\$63,335,789	0.85%	3.26%
52	\$60,876,255	0.71%	2.22%
53	Agency expenditures per unit of the deliverable		
54		\$1,848.37	\$4,831.36
55		\$1,686.00	\$3,503.10
56		\$1,288.00	\$2,410.07
57			
58	Amount collected from providing deliverable		
59	Total collected from charging customers		
60			
61			
62	Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)		
63			
64	Total collected from charging customers and non-state sources	\$0.00	
65		\$0.00	
66		\$0.00	
67			
68	Agency Comments		
69	Additional comments from agency (optional)		Included is the salary and benefits of SAF's internal litigation coordinator.
70			

Deliverables

A	B	L	M
1	Agency		
2	State Accident Fund		
3	Accurate as of March 6, 2020		
4			
5			
6	Deliverable		
7	Item number 9	10	
	Associated laws		
8			
9	Does state or federal law specifically require this deliverable?		
	Deliverable description	Technology Support - (1) Support, maintain, and upgrade the existing systems and equipment that SAF relies on for all operations, (2) Maintain web portal access for claim transparency for all agencies, (3) Secure SAF's network and data, (4) Recommend and implement new systems and equipment as needed, (5) Responsible for scanning and indexing all mail and documentation received by SAF.	Human Resource Management - (1) Provide agency with appropriate staffing for all departments, (2) Coordinate all benefits on employee and employer behalf, (3) Provide support for all matters related to Human Resources including EPMS maintenance.
10			
11	Responsible organizational unit (primary)	IT	Business Support
12			
13	Results Sought		
14	Does the legislature state intent, findings, or purpose? Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency subject to clarification from the legislature)?	No Support, maintain, and upgrade the existing systems and equipment that SAF relies on for all operations	No To provide SAF with the proper staffing, compensation, benefit, and training needs in order to optimize the effectiveness of all employees.
15			
16	Associated performance measure item numbers from the Performance Measures Chart, if any		
17			
18	Customer Details	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.
19	Customer description	SAF Staff	Internal Staff
20	Does the agency evaluate customer satisfaction?	Yes	Yes
21	Counties served in last completed fiscal year	Unknown	Unknown
22	Number of customers served	574	
23		579	
24		584	
25			
26	Units Provided and Amounts Charged to Customers		
	Description of a single deliverable unit	An opened help desk ticket during the requested time period.	Internal Support
27			
28	Number of units provided	2,187	
29		2,048	
30		2,119	
31	Does law prohibit charging the customer for the deliverable?	No	No
32	If yes,		
33			
34	If yes,		
35			
36	If yes,		
37	Amount charged to customer per deliverable unit	\$0.00	\$0.00
38		\$0.00	\$0.00
39		\$0.00	\$0.00
40			
41	Costs		
42	Total employee equivalents required (37.5 hour per week units)	16.00	2.00
43		14.00	1.00
44		15.00	1.00
45	Spent on all		
46	\$61,474,418	\$940,490.20	\$109,971.20
47	\$63,335,789	\$1,350,741.46	\$63,763.73
48	\$60,876,255	\$1,700,855.96	\$92,923.69
49	Total agency		
50	\$61,474,418	1.53%	0.18%
51	\$63,335,789	2.13%	0.10%
52	\$60,876,255	2.79%	0.15%
53	Agency expenditures per unit of the deliverable		
54		\$430.04	Insufficient data provided.
55		\$659.54	Insufficient data provided.
56		\$802.67	Insufficient data provided.
57			
58	Amount collected from providing deliverable		
59	Total collected from charging customers		
60			
61			
62	Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)		
63			
64	Total collected from charging customers and non-state sources	\$0.00	\$0.00
65		\$0.00	\$0.00
66		\$0.00	\$0.00
67		\$0.00	\$0.00
68			
69	Agency Comments		
	Additional comments from agency (optional)	IT supports agency staff only.	Human resources supports agency staff only.
70			

Deliverables

	A	B	N	O	P	Q	R	S
1		Agency						
2		State Accident Fund						
3		Accurate as of March 6, 2020						
4								
5								
6		Deliverable						
7		Item number 11	12					
8		Associated laws	2019 Appropriations Bill - Proviso 75.2					
9		Does state or federal law specifically require this deliverable?	Yes					
10		Deliverable description	Financial Support - (1) Process all check payments, stop payments, and cancellations, (2) Report to management on all financial and budgetary matters, (3) Maintain and reconciles all general ledger accounts, (4) Maintain and reconciles bank checking accounts, (5) Perform purchasing and inventory required by the agency for operation.	Military Disability Settlements - (1) Facilitate a disability program to determine settlement owed to certain members of the SC National Guard pursuant to Proviso 75.2 of the 2019 Appropriations Bill.				
11		Responsible organizational unit (primary)	Business Support	Military Disability Program				
12								
13		Results Sought						
14		Does the legislature state intent, findings, or purpose?	No	Yes				
15		Purpose of the service/why it is provided (as written in statute/enabling act OR, if not in law, as understood by agency, subject to clarification from the legislature)?	To provide financial support and expertise to SAF.	Provide a settlement to certain members of the SC National Guard pursuant to Proviso 75.2.				
16		Associated performance measure item numbers from the Performance Measures Chart, if any						
17		Customer Details	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.	There was an error in the spreadsheet that we fixed on our end. Please enter the number of customers served in rows 22-24.				
18		Customer description	Internal Staff	SC National Guard members pursuant to Proviso 75.2				
19		Does the agency evaluate customer satisfaction?	Yes	No				
20		Counties served in last completed fiscal year	Unknown	None				
21		Number of customers served	0	0				
22			0	0				
23			0	0				
24			0	0				
25								
26		Units Provided and Amounts Charged to Customers						
27		Description of a single deliverable unit	Internal Support	None				
28		Number of units provided						
29								
30								
31		Does law prohibit charging the customer for the deliverable?	No	No				
32		If yes,						
33		If yes,						
34		If yes,						
35		If yes,						
36		Amount charged to customer per deliverable unit	\$0.00	\$0.00				
37			\$0.00	\$0.00				
38			\$0.00	\$0.00				
39			\$0.00	\$0.00				
40		Costs						
41								
42		Total employee equivalents required (37.5 hour per week units)	8.00	0.00				
43			8.00	0.00				
44			8.00	0.00				
45		Spent on all						
46		\$61,474,418	\$529,898.85	\$0.00				
47		\$63,335,789	\$538,152.53	\$0.00				
48		\$60,876,255	\$570,440.99	\$0.00				
49		Total agency						
50		\$61,474,418	0.86%	0.00%				
51		\$63,335,789	0.85%	0.00%				
52		\$60,876,255	0.94%	0.00%				
53		Agency expenditures per unit of the deliverable	Insufficient data provided.	Insufficient data provided.				
54			Insufficient data provided.	Insufficient data provided.				
55			Insufficient data provided.	Insufficient data provided.				
56			Insufficient data provided.	Insufficient data provided.				
57		Amount collected from providing deliverable						
58								
59		Total collected from charging customers						
60								
61								
62		Total collected from non-state sources as a result of providing the deliverable (including federal and other grants awarded to agency to provide deliverable)						
63								
64		Total collected from charging customers and non-state sources	\$0.00	\$0.00				
65			\$0.00	\$0.00				
66			\$0.00	\$0.00				
67			\$0.00	\$0.00				
68		Agency Comments						
69		Additional comments from agency (optional)	Financial department supports agency staff only.	Proviso went into affect on 07/01/2019.				
70								

Performance Measures

A		C	D	E
1	Agency			
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5				
6	Performance Measure			
7	Item #	1	2	4
8	Description	Maintain a greater than 90% positive response on annual policyholder survey. The below numbers represent the percentage of positive responses on SAF's annual Policyholder Survey.	Maintain a greater than 75% policyholder satisfaction rate. We utilize the American Customer Satisfaction Index to calculate the weighted percentage.	Exceed 80% of the number of voluntary policyholders who renewed or continued coverage with SAF.
9	Time applicable	State Fiscal Year (July - June)	State Fiscal Year (July - June)	State Fiscal Year (July - June)
10				
11	Results Summary			
12	Is the goal to meet, exceed, or obtain a lower value than the target?	Exceed	Exceed	Exceed
13				
14	Did the agency achieve its goal?			
15	2019	Yes	Yes	Yes
16	2018	Yes	Yes	Yes
17	2017	Yes	Yes	Yes
18	2016	Yes	Yes	Yes
19	2015	Yes	No	Yes
20				
21	Changes in target			
22	2020	Same as prior year	Same as prior year	Same as prior year
23	2019	Same as prior year	Same as prior year	Same as prior year
24	2018	Same as prior year	Same as prior year	Same as prior year
25	2017	Same as prior year	Same as prior year	Same as prior year
26	2016	Same as prior year	Same as prior year	Same as prior year
27				
28	Result details for year ending...			
29	2020			
30	Target	90.00%	75.00%	80.00%
31				
32	2019			
33	Target	90.00%	75.00%	80.00%
34	Actual	96.00%	77.90%	96.80%
35				
36	2018			
37	Target	90.00%	75.00%	80.00%
38	Actual	96.90%	77.40%	96.00%
39				
40	2017			
41	Target	90.00%	75.00%	80.00%
42	Actual	95.10%	77.00%	96.30%
43				
44	2016			
45	Target	90.00%	75.00%	80.00%
46	Actual	96.60%	76.00%	94.90%
47				
48	2015			
49	Target	90.00%	75.00%	80.00%
50	Actual	98.00%	73.00%	97.80%
51				
52	Agency Comments			
53	Additional comments from agency (optional)	Through these annual surveys SAF can use the feedback received to correct or improve the level of service SAF provides to its policyholders. The overall positive responses from our surveys show SAF is providing a high level of service and meeting our customers expectations.	Through these annual surveys SAF can use the feedback received to correct or improve the level of service SAF provides to its policyholders. The overall positive responses from our surveys show SAF is providing a high level of service and meeting our customers expectations.	The high retention of voluntary policyholders continues to show SAF provides a high level of service and we are meeting the needs of our customers.

Performance Measures

A		F	G	H
1	Agency			
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5				
6	Performance Measure			
7	Item #	5	6	7
	Description	Exceed 80% retained premium dollars from voluntary policyholders.	Number of Workers' Compensation Commission claim fines received compared to the prior fiscal year.	Dollar amount of Workers' Compensation Commission claim fines received compared to the prior fiscal year.
8				
9	Time applicable	State Fiscal Year (July - June)	State Fiscal Year (July - June)	State Fiscal Year (July - June)
10				
11	Results Summary			
12	Is the goal to meet, exceed, or obtain a lower value than the target?	Exceed	Meet or obtain lower value	Meet or obtain lower value
13				
14	Did the agency achieve its goal?			
15	2019	Yes	Yes	Yes
16	2018	Yes	Yes	Yes
17	2017	Yes	No	No
18	2016	Yes	Yes	Yes
19	2015	Yes	Yes	Yes
20				
21	Changes in target			
22	2020	Same as prior year	Same as prior year	Same as prior year
23	2019	Same as prior year	Decreased from prior year	Decreased from prior year
24	2018	Same as prior year	Increased from prior year	Increased from prior year
25	2017	Same as prior year	Decreased from prior year	Decreased from prior year
26	2016	Same as prior year	Decreased from prior year	Decreased from prior year
27				
28	Result details for year ending...			
29	2020			
30	Target	80.00%	0	\$0.00
31				
32	2019			
33	Target	80.00%	0	\$0.00
34	Actual	94.30%	0	\$0.00
35				
36	2018			
37	Target	80.00%	5	\$900.00
38	Actual	92.20%	0	\$0.00
39				
40	2017			
41	Target	80.00%	3	\$600.00
42	Actual	93.60%	5	\$900.00
43				
44	2016			
45	Target	80.00%	7	\$1,400.00
46	Actual	92.70%	3	\$600.00
47				
48	2015			
49	Target	80.00%	11	\$2,450.00
50	Actual	98.50%	7	\$1,400.00
51				
52	Agency Comments			
	Additional comments from agency (optional)	The high retention of premium dollars continues to show SAF provides a high level of service and we are meeting the needs of our customers. These number also show the stability of workers' compensation premium among our policyholders.	Claim fines are levied against all workers' compensation carriers in South Carolina for not providing the proper requirements determined by the WCC. Those requirements include the proper filing of forms, timely payment of medical and indemnity, and overall management of workers' compensation cases.	Claim fines are levied against all workers' compensation carriers in South Carolina for not providing the proper requirements determined by the WCC. Those requirements include the proper filing of forms, timely payment of medical and indemnity, and overall management of workers' compensation cases.
53				

Performance Measures

A		I	J	K
1	Agency			
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5				
6	Performance Measure			
7	Item #	8	9	10
	Description	Compare average medical cost per claim to that of prior fiscal year.	Compare average indemnity cost per claim with that of the prior fiscal year.	Maintain a less than 15% administrative cost ratio as compared with total premium derived from each fiscal year.
8				
9	Time applicable	State Fiscal Year (July - June)	State Fiscal Year (July - June)	State Fiscal Year (July - June)
10				
11	Results Summary			
12	Is the goal to meet, exceed, or obtain a lower value than the target?	Meet or obtain lower value	Meet or obtain lower value	Obtain lower value
13				
14	Did the agency achieve its goal?			
15	2019	No	Yes	Yes
16	2018	No	No	Yes
17	2017	Yes	Yes	Yes
18	2016	No	No	Yes
19	2015	Yes	No	Yes
20				
21	Changes in target			
22	2020	Increased from prior year	Decreased from prior year	Same as prior year
23	2019	Increased from prior year	Increased from prior year	Same as prior year
24	2018	Decreased from prior year	Decreased from prior year	Same as prior year
25	2017	Increased from prior year	Increased from prior year	Same as prior year
26	2016	Decreased from prior year	Increased from prior year	Same as prior year
27				
28	Result details for year ending...			
29	2020			
30	Target	\$3,349.00	\$11,313.00	15.00%
31				
32	2019			
33	Target	\$3,230.00	\$12,272.00	15.00%
34	Actual	\$3,349.00	\$11,313.00	5.90%
35				
36	2018			
37	Target	\$3,174.00	\$11,774.00	15.00%
38	Actual	\$3,230.00	\$12,272.00	6.30%
39				
40	2017			
41	Target	\$3,192.00	\$11,789.00	15.00%
42	Actual	\$3,174.00	\$11,774.00	6.50%
43				
44	2016			
45	Target	\$3,030.00	\$11,658.00	15.00%
46	Actual	\$3,192.00	\$11,789.00	5.20%
47				
48	2015			
49	Target	\$3,448.00	\$11,394.00	15.00%
50	Actual	\$3,030.00	\$11,658.00	5.40%
51				
52	Agency Comments			
	Additional comments from agency (optional)	SAF realizes the impact of medical inflation however we do not currently account for it in a certain way. The numbers above show that it is difficult to lower the medical costs per file year over year and that is mainly due to medical inflation and the unpredictably of the number and complexity of claims that will be filed.	SAF realizes the impact of medical inflation however we do not currently account for it in a certain way. The numbers above show that it is difficult to lower the indemnity costs per file year over year and that is mainly due to inflation and the unpredictably of the number and complexity of claims that will be filed.	
53				

Performance Measures

	A	L	M	N
1	Agency		Please make note in the comment section that this metric SAF began tracking this metric in 2018.	Consider expanding the last sentence and include more detail regarding what the percentage figure means.
2	State Accident Fund			
3	Accurate as of			
4	March 6, 2020			
5				
6	Performance Measure			
7	Item #	11	12	13
8	Description	Percentage of premium billed over 90 days past due should be less than 5%.	Exceed more than 90% of accounts audited within 180 days from time of renewal.	SAF will show an increase in net assets over the prior fiscal year. This is based upon a percentage and shows that SAF continues to remain financially solvent and our financial position has continued to show growth due management of claims and operational expenses.
9	Time applicable	State Fiscal Year (July - June)	State Fiscal Year (July - June)	State Fiscal Year (July - June)
10				
11	Results Summary			
12	Is the goal to meet, exceed, or obtain a lower value than the target?	Obtain lower value	Exceed	Exceed
13				
14	Did the agency achieve its goal?			
15	2019	Yes	Yes	Yes
16	2018	Yes	Yes	Yes
17	2017	Yes	There was no target	No
18	2016	Yes	There was no target	Yes
19	2015	Yes	There was no target	Yes
20				
21	Changes in target			
22	2020	Same as prior year	Same as prior year	Increased from prior year
23	2019	Same as prior year	Same as prior year	Increased from prior year
24	2018	Same as prior year	No prior year target	Decreased from prior year
25	2017	Same as prior year	No prior year target	Increased from prior year
26	2016	Same as prior year	No prior year target	Increased from prior year
27				
28	Result details for year ending...			
29	2020			
30	Target	5.00%	90.00%	8.90%
31				
32	2019			
33	Target	5.00%	90.00%	6.10%
34	Actual	0.01%	100.00%	8.90%
35				
36	2018			
37	Target	5.00%	90.00%	4.70%
38	Actual	0.00%	100.00%	6.10%
39				
40	2017			
41	Target	5.00%		8.00%
42	Actual	0.00%		4.70%
43				
44	2016			
45	Target	5.00%		6.20%
46	Actual	0.00%		8.00%
47				
48	2015			
49	Target	5.00%		3.80%
50	Actual	0.00%		6.20%
51				
52	Agency Comments			
53	Additional comments from agency (optional)		SAF began tracking this metric in 2018.	

Performance Measures

	A	O	P
1	Agency		
2	State Accident Fund		
3	Accurate as of		
4	March 6, 2020		
5			
6	Performance Measure		
7	Item #	14	15
8	Description	Maintain or exceed claim cost savings, of more than 10% of annual claim spending, realized by SAF partners. The numbers comprising this target include; Medical Bill Review, Pharmacy, and Physical Therapy Savings.	Maintain or exceed total claim recoveries, of more than 5% of annual claim spending. The numbers comprising this target include; Subrogation, Second Injury Fund, and UEF Collection Services.
9	Time applicable	State Fiscal Year (July - June)	State Fiscal Year (July - June)
10			
11	Results Summary		
12	Is the goal to meet, exceed, or obtain a lower value than the target?	Meet or exceed	Meet or exceed
13			
14	Did the agency achieve its goal?		
15	2019	Yes	Yes
16	2018	Yes	Yes
17	2017	Yes	Yes
18	2016	Yes	Yes
19	2015	No	Yes
20			
21	Changes in target		
22	2020	Same as prior year	Same as prior year
23	2019	Same as prior year	Same as prior year
24	2018	Same as prior year	Same as prior year
25	2017	Same as prior year	Same as prior year
26	2016	Same as prior year	Same as prior year
27			
28	Result details for year ending...		
29	2020		
30	Target	10%	5%
31			
32	2019		
33	Target	10%	5%
34	Actual	12%	9%
35			
36	2018		
37	Target	10%	5%
38	Actual	13%	5%
39			
40	2017		
41	Target	10%	5%
42	Actual	13%	6%
43			
44	2016		
45	Target	10%	5%
46	Actual	13%	8%
47			
48	2015		
49	Target	10%	5%
50	Actual	10%	8%
51			
52	Agency Comments		
53	Additional comments from agency (optional)		UEF Collection numbers are only included in the 2019 and 2020 numbers. Prior to that time there was no contracted vendor.