

**South Carolina  
Workers= Compensation  
Commission**

**ANNUAL  
ACCOUNTABILITY  
REPORT**

*Fiscal Year 1999 – 2000*

# **South Carolina Workers' Compensation Commission**

## **Annual Accountability Report**

**Fiscal Year 1999-2000**

### **Executive Summary**

#### **Basic Description of the Agency.**

Created on September 1, 1935, the Workers' Compensation Commission (formerly the South Carolina Industrial Commission) administers and enforces South Carolina's workers' compensation law. The basic premise and purpose of the law is to provide a fair, equitable, and timely system of benefits to injured workers and their employers.

It is the responsibility of the Commission to administer the South Carolina Workers' Compensation Law, generally found in Title 42 of the Code of Laws of South Carolina. In accordance with the Administrative Procedures Act, the Commission also promulgates rules and regulations necessary to implement the provisions of Title 42.

#### ***Mission***

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

#### **Programs**

The Workers' Compensation Commission is a highly specialized, single purpose organization with three programs: Claims, Judicial, and Insurance & Medical Services. Each of the program areas has goals that link it to the mission of the agency. The Commission's mission is linked to its program goals by a common purpose and commitment to the principles of equity, fairness, timeliness, accuracy, and reliability that are fundamentally inherent in a state regulatory system that requires the participation of almost every employer and employee in South Carolina. Because of the Commission's singular purpose, its programs are inextricably joined together in one single processor system.

**Claims** - Providing timely and accurate benefits to injured workers.

**Judicial** - Provide timely disposition of all claims requiring mediation, adjudication, or appellate review.

**Insurance and Medical Services**- Assure availability of workers= compensation benefits to injured workers, provide employers a self-insurance alternative, and contain medical costs.

### Key Business Drivers and Their Measures

Listed below are the agency's key business drivers, their measures, and benchmarks.

Key Business Drivers	Key Performance Measures	Benchmarks
Customer Satisfaction	Process Cycle Times	Prior Performance
Insurer Error Free Claim Submission	Error Rate	Prior Performance
Length of Time it Takes to Set 60 Day Hearings; Hearings; Appeals; Informal Conferences	Process Cycle Times	Prior Performance Customer Satisfaction National Comparison
Length of Time to Resolve Contested Issue	Period of Time to Resolve Issues	Prior Performance Customer Satisfaction
Length of Time to Resolve Uninsured Claims	Period of Time to Determine Coverage	Prior Performance Customer Satisfaction
Amount of Total Medical Cost Savings	Medical Services Provider Manual Revised and Published Medical Bills Reviewed	Comparison to Usual and Customary Charges Regional Comparison

### Objectives

1. Improve the timeliness and accuracy of benefits to injured workers by receiving and processing initial reports of injuries, eliminating insurer submission errors, reviewing settlements, lump sum awards and attorney fee petitions, collecting relevant statistical information, and closing all claims.
2. Improve the length of time it takes to set 60-day hearings, merit hearings, appellate reviews, informal conferences.
3. Improve the length of time to resolve contested issues between parties.
4. Improve the length of time to resolve claims initially reported as uninsured.
5. Increase savings on total medical cost while preserving worker access to quality health care.
6. Provide training to interested customers/stakeholders on workers' compensation processes.

The Workers' Compensation Commission currently has 81 full time positions. This has been reduced from 89.6 just six years ago.

## **Customers/Stakeholders**

The Commission has identified its two most important customer groups: South Carolina's employers and their employees. There are numerous other customers who are involved in the workers' compensation system and provide services of one type or another to employers and their employees.

One of the Commission's primary responsibilities is coordinating the unique efforts and contributions of all parties for the express purpose of providing workers' compensation benefits to injured workers. A close examination of the goals, objectives, and performance measures of each program will reveal the Commission is committed to a system of benefits that is responsive, expedient, accurate, and reliable.

The Workers' Compensation Commission works closely with a number of state agencies. For example, we exchange coverage information with the Employment Security Commission; serve as a satellite office for the Department of Vocational Rehabilitation; have established fraud reporting protocols with the State Attorney General's office; exchange workplace safety information with the State Department of Labor, Licensing & Regulation; have direct data links to our claims database for the Uninsured Employers Fund and the Second Injury Fund; participate in joint fraud investigations and prosecutions with the FBI and the U.S. Office of the Attorney General; and provide information to the Social Security Administration. In addition, the State Accident Fund is one of the major workers' compensation carriers in the state, requiring our two organizations to work together on a daily basis.

Since workers' compensation involves more than 88,000 employers and 1.6 million workers in this State, the success of our programs is critical to the welfare of each man or woman injured on the job and the overall economic health and development of South Carolina.

## **South Carolina Workers' Compensation Commission**

### **MISSION STATEMENT**

#### **Our Vision:**

*Be the driving force in a workers' compensation system of excellence that delivers superior service to employers and their workers, thereby enhancing economic development in South Carolina.*

#### **Our Mission:**

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

## LEADERSHIP SYSTEM

The Commission consists of seven members appointed by the Governor with the advice and consent of the Senate for terms of six years and until their successors are appointed and qualified. The chairman is the chief executive officer of the Commission and responsible for implementing the policies established by the Commission in its capacity as the governing board.

The day-to-day administration and operation of the Commission is the responsibility of the executive director who is appointed by and serves at the pleasure of the seven commissioners acting in their capacity as the board of directors of the agency. The executive director functions as the Commission's chief operation officer.

Under the general supervision and management of the executive director are the Commission's six functional departments:

- Claims;
- Judicial;
- Insurance and Medical Services;
- Administration;
- Information Management; and
- Legal.

Each department is under the supervision of a director and may be organized into one or more operational divisions.

The Executive Director is actively and personally involved with the department directors, who comprise the senior leadership system at the Commission, in setting direction and development for the Commission. This is accomplished by:

- Participation in senior staff meetings to track departmental activities, and discussion of activities in each department;
- Routine status meetings between the Executive Director and department directors to review individual activities;
- Routine staff meetings of the various departments to discuss agency-wide initiatives and activities;
- Utilization of internal electronic mail to communicate with all levels of staff;
- Monthly publication, by the executive director's office, of an internal newsletter for Commission employees highlighting achievements, successes, events, and exemplary endeavors by the agency's employees;
- Communication of agency goals to employees; and
- Periodic review of performance measures.

The Commission encourages its employees in leadership, training, and other forms of educational initiatives. This is exemplified by:

- The Executive Director and four of the five department directors graduating the South Carolina Executive Institute;
- The Agency participation in and support of the Associate Public Manager and Certified Public Manager Program, and encouragement of employee participation; and,

- Agency support of employee participation in various professional associations, and attendance at educational seminars.

Commission employees routinely participate in community events. The agency is a long-term supporter of the United Way, and our United Way Campaign during this fiscal year was a tremendous success. We exceeded our goal by 15%, raising a total of \$8,065 for the campaign. The campaign encompassed several events, including a breakfast and bake sale, a “Flashback to the 60’s and 70’s” cookout, a lunchtime comedy presentation, and culminated with a “Kiss the Pig” contest covered by WIS TV and WOLO TV. The Commission’s Judicial Division instituted a food collection project for the Harvest Hope Food Bank during the holiday season. This effort yielded 286 pounds of food, which went a long way toward making a better holiday season for those in need. The agency also participated in the Salvation Army Red Kettle Campaign and sponsored a kettle for one week during lunch hours at a local eatery. Many employees donated their lunch hour to help make this worthwhile endeavor a success. The Commission has a generous heart, and employees are always looking for ways to make life a little better for those less fortunate.

## **CUSTOMER FOCUS AND SATISFACTION**

The Commission has identified its two most important customer groups: South Carolina’s employers and their employees. Other customers who are involved in the workers’ compensation system and provide services of one type or another to employers and their employees include, but are not limited to:

- Insurance companies;
- Self-insured funds;
- Third-party administrators;
- Attorneys;
- Physicians;
- Hospitals;
- Other state workers= compensation agencies;
- The Department of Commerce
- The Employment Security Commission;
- The Department of Vocational Rehabilitation;
- The State Attorney General’s office;
- The State Department of Labor, Licensing & Regulation;
- The Uninsured Employers Fund and the Second Injury Fund;
- The FBI and the U.S. Office of the Attorney General;
- The Social Security Administration;
- The State Accident Fund

One of the Commission’s primary responsibilities is coordinating the unique efforts and contributions of all parties for the express purpose of providing workers’ compensation benefits to injured workers. A close examination of the goals, objectives, and performance measures of each program will reveal the Commission is committed to a system of benefits that is responsive, expedient, accurate, and reliable. In order to measure the level of customer satisfaction, Commission employees do routine informal follow up with stakeholders. The Commission plans to examine ways to conduct a more formalized, systematic survey in the coming fiscal year.

Since workers' compensation involves more than 88,000 employers and 1.6 million workers in this State, the success of our programs is critical to the welfare of each man or woman injured on the job, and to the overall economic health and development of South Carolina.

The Commission works closely with a number of State agencies. For example, we exchange coverage information with the Employment Security Commission; serve as a satellite office for the Department of Vocational Rehabilitation; have established fraud reporting protocols for the Office of the State Attorney General; exchange workplace safety information with the Department of Labor, Licensing & Regulation; have direct data links to our claims database for the Uninsured Employers Fund and the Second Injury Fund; participate in joint fraud investigations and prosecutions with the FBI and the Office of the U.S. Attorney General; and provide information to the Social Security Administration. In addition, the State Accident Fund is one of the major workers' compensation carriers in the State, requiring our two organizations to work together on a daily basis. Two Commission employees are members of the South Carolina Fraud Taskforce, assisting in making recommendations to strengthen the fraud portions contained in Title 38 of the insurance statutes. In addition, they assist in the formulation of changes to enhance compliance with Title 42, the South Carolina Workers' Compensation Act.

## **OTHER PERFORMANCE EXCELLENCE CRITERIA**

### **Strategic Planning**

Starting in 1996, the Commission began to develop a strategic plan for the purpose of aligning all of the organization's programs and policies for continuous improvement. After articulating agency vision and mission statements for our departments and divisions, each employee's position description was rewritten to link individual duties and responsibilities with the mission of a particular work group. Employee evaluations were revised to reflect performance indicators linked to the specific job description and ultimately to the organization's mission. In June 1998, the Commission awarded salary increases based on performance for those employees meeting or exceeding performance goals. Several cross-functional teams were chartered to examine both programs and processes. In addition, the Commission began to move forward in its effort to develop individual staff development plans as guided by the Commission's key business indicators. The Commission continues to refine key business drivers and gathering baseline data to present as part of future reports. The Commission is committed to the on-going refining of processes necessary to be the driving force in a workers' compensation system of excellence which delivers superior service to South Carolina's employers and their workers.

### **Information and Analysis**

During fiscal year 1990-2000, the South Carolina Workers' Compensation Commission focused on improving its information technology systems. The Commission was pleased, but not surprised, that the rollover to the year 2000 went smoothly. This occurred with minimum hours devoted to the Y2K issue. A little planning definitely goes a long way. When the specifications for a new system were written in 1990, a requirement was included that "Date field must be sorted with a four (4) byte year, or in another format that will not become ambiguous at the turn of the century." Due to this futuristic insight, the Commission's limited resources were then made available to install the numerous Y2K updates supplied by outside vendors, such as Microsoft.

Major emphasis was placed on hardware upgrades during the 1999-2000 fiscal year. A multi-processor Pentium II primary database server was installed to replace servers that were nearly a decade old. All users received new Pentium II or Pentium III machines on their desktops, replacing machines that were considerably slower. The impact of this change has been faster responses, fewer problems, and more smiles. In fact, one intense processing task, the monthly pulling of cases, was reduced from a 20-hour run to less than 30 minutes.

The Commission saw significant achievement in information technology during the fiscal year; however, the Commission continues to lag behind other State agencies in the information technology arena. During the upcoming fiscal year, the Commission will focus on an in-depth analysis of its specially designed database to determine whether the system should be enhanced, or redesigned completely to meet with the Commission's and stakeholders' needs and demands.

Effective January 1, 1998, all insurance carriers, self-insureds, and third-party administrators were required to file reports using electronic data interchange (EDI) standards and protocols. The overall result of the EDI effort has been lowered mailing and handling costs, elimination of numerous reports, reduced demand for storage, streamlined claims reporting, reduced costs, and improved data quality. By the end of the fiscal year, over 18,500, or 67% of all *Employer First Reports of Injury*, were filed via EDI. The Commission has continued to work on the national EDI effort, to stay abreast of changes, and to remain on the leading edge of this technology project. During the upcoming fiscal year, the Commission will look at ways to increase compliance with electronic filing and expanding the process to include additional reports.

## **Human Resource Focus**

A further reorganization of the Administration Division took place in October, 1999. The Finance and Human Resources Director left the Commission. The position filled was for only the Finance Director responsibilities. On a temporary basis, three employees jointly assumed human resource responsibilities. The Commission requested and received an additional FTE during the 2000-01 budgetary process for a human resources director. This was done in a continuing effort to provide employees of the Commission with an employee dedicated solely to human resources. Effective June 2, 2000, the Commission brought on a Human Resources Manager, providing the Commission a complete and focused human resources program. During the upcoming fiscal year, the Commission plans development of a formal employee orientation program, and review of its policies and procedures to ensure they properly reflect current practice and law.

In May, 2000, Chairman Atkins, Commissioner Lyndon, and Executive Director Clawson attended the IAIABC International Workers' Compensation College in Arizona. Chairman Atkins and Commissioner Lyndon each earned Judicial Certificates. Ms. Clawson participated in the Executive Division and headed her group project to win the honor of "Best Group Project for the IAIABC."

The ongoing success of any organization is a direct and proximate result of employee performance. During the fiscal year, the Commission awarded each of its classified staff members a one-time performance bonus in recognition of their dedication and contributions in increasing organizational productivity, demonstration of exceptional customer service, and for exhibiting loyalty to the agency. Several Commission employees continued their commitment to professional development by seeking further educational endeavors. One senior manager was awarded Certified Public Manager credentials in June, 2000. Another employee received her Masters of Business Administration from Webster University in March, 2000.

## **Process Management and Improvements**

Early during the fiscal year, the Commission acted to further streamline the informal conference process. The Commission receives over 7,200 requests for informal conferences or viewings each year. These are cases that are admitted, the injured workers have received ratings, and simply need to have awards made. The reviews are conducted by the Deputy Commissioner/Claims Mediator, and require extensive travel within the State. In previous years, the seven administrative assistants for the Commissioners independently set the schedule for this staff member, and no thought was given to efficiency or the reviewer's whereabouts on any given day. At the urging of Chairman Atkins, and with the support of all the Commissioners, the schedule is now set by one administrative assistant who moves the Claims Mediator in an efficient pattern, allowing for more time spent on each viewing.

The Commission approved a revision to its seven hearing districts for the first time since 1992. Some of the major changes include the creation of a new district, Orangeburg, and the combination of the Lexington and Richland districts into a single district. These changes were adopted pursuant to a review of district caseloads to allow for a more even distribution of cases. The Commission will continue to monitor caseloads and will consider additional district revisions as necessary.

Employers are required by law to post certain posters issued by the South Carolina Workers' Compensation Commission, the South Carolina Employment Security Commission, the South Carolina Human Affairs Commission, and the South Carolina Department of Labor, Licensing & Regulation. Employers have complained about having to contact each agency separately for required posters, and cluttered walls resulting from hanging six different posters. During fiscal year 1999-2000, these agencies worked together to design and produce one concise and attractive poster containing all posters required of the agencies by State law, allowing for an employer to contact only one agency to secure a complete set of laws. The poster initiative will be finalized during the next fiscal year, and will greatly benefit all employers and employees in the State. A separate agreement between the Commission and the South Carolina Employment Security Commission was also adopted. This agreement allows the Employment Security Commission to electronically provide and share information with the Commission from employer quarterly contribution and wage reports, consisting of the number of employees reported, and the name and address of the employer. Consequently, this will allow the Commission to more efficiently ascertain employer liability information for coverage and reduce the time necessary to conduct a formalized investigation.

South Carolina must have a workers' compensation system that is stable, objectively balanced, competently managed, and cost effective if it is to provide a fair, equitable, and timely system of benefits to injured workers and their employers. The South Carolina Workers' Compensation Commission is committed to such a system and will continue working toward that goal as directed by the General Assembly.

## **DESCRIPTION OF PROGRAMS**

**Program Name:**       **Claims**

**Program Mission:**

Improve the timeliness and accuracy of benefits to injured workers.

**Program Cost:**

Funds expended in FY 1999/2000 for the Claims Department were \$507,418. This funding consisted of the following sources of funds: State - \$414,229 Other - \$93,189. Total funds expended in FY '98/99 for the Claims Department were \$369,362. The total number of FTE's in the Claims Department was 16.

**Program Goals:**

Receive and process initial reports of occupational injuries and illnesses, review all claims for complete and timely payment of benefits, review settlements for completeness and accuracy, collect statistical information, and close all claims in the most timely and accurate manner possible.

**Program Objectives:**

- Continue to review and record all accident reports within 2 days of receipt;
- Continue to review 100% of initial notices of payment of temporary total compensation within 1 day;
- Continue to review 100% of all settlements within 1 day;
- Continue to close all claims within 3 days of receipt of closing documents;
- Continue to conduct annual reviews on all open cases;
- Improve the number of carrier non-contested actionable claims which can be processed without re-work; and
- Reduce the percentage of processing errors in claims, both internally and externally.

**Performance Measures:**

<u>Outputs:</u>	<u>Actual FY 1999-2000</u>	<u>Actual FY 1998-1999</u>
Classified Accident Reports Filed	33,767	35,898
Initial Payment Notices Reviewed	16,206	16,260
Settlements Reviewed	14,051	13,808
Number of Carrier Files Audited	655	332
Cases Closed by Commission	34,588	35,590
Cases Reviewed	104,317	106,317

Outcomes:

Accident Reports Reviewed and Recorded		
Within 2 Days (up from 80% in FY 95-96)	90%	90%
Review Initial Payment Notices		
Within 1 Day	100%	100%
Settlements Reviewed		
Within 1 Day (down from 3 days in FY 95-96)	100%	100%

Outputs:

Claims Closed Within 3 Days (down from 5 days in FY 95-96)	100%	100%
Open Cases Reviewed Annually	100%	100%
Untimely Form Filing	41%	35%
Untimely Payment	4.5%	2.7%
Untimely Investigation	3.5%	6%

**Significant Events**

During this fiscal year, the Claims Department continued onsite audits of claims files and procedures of self-insureds and licensed insurance carriers. The Claims Department staff conducted eight audits of carriers selected at random. These audits review how carriers, third-party administrators, and self-insurers manage claims, and serve as a management tool to reinforce carrier strengths and pinpoint material weaknesses. This program affords an invaluable opportunity for the training and guidance of these regulated entities, and provides for a better understanding of their operations by the Commission.

The Commission is committed to providing an environment to foster communication and education among its stakeholders. In that regard, the Commission's series of one-day seminars on claims management, *Claims Administration Made Easy*, continued to attract attendees. Commissioners made presentations at the 23<sup>rd</sup> Annual Workers' Compensation Educational Conference sponsored by the South Carolina Workers' Compensation Educational Association. The Commission also teamed up with the Educational Association to co-sponsor the 21<sup>st</sup> Annual Workers' Compensation Medical Seminar, a three-day event devoted to medical issues relevant to workers' compensation. Additionally, the Commission sponsored another *Beyond Nuts & Bolts*, aka *Advanced Claims Administration Made Easy* seminar in April, 2000. Chief Justice Jean Toal presented at the seminar, which featured a mock hearing and panel discussion by three Commissioners, Chairman Atkins, and Commissioners Mickle and Lyndon. Response to this offering was outstanding, with well over 130 attendees.

**DESCRIPTION OF PROGRAMS**

**Program Name:**       **Judicial**

**Program Mission:**

Assess and assign for disposition all claims requiring mediation, adjudication, or appellate review.

**Program Cost:**

Funds expended in FY 1999/2000 for the Judicial Department were \$2,062,044. This funding consisted of the following sources of funds: State - \$1,725,494 Other - \$336,550. Total funds expended in FY '98/99 for the Judicial Department were \$1,954,729. The total number of FTE's in the Judicial Department was 36.

**Program Goals:**

Prepare and schedule unresolved claims for either an informal conference (viewing), hearing, or appellate review; Make settlement recommendations (viewings), or adjudicate findings (hearings and reviews) to resolve disputed issues; and Approve settlement agreements, lump sum awards, and attorney fee petitions in the most equitable, timely, and accurate manner possible.

**Program Objectives:**

- Continue to process 100% of requests for hearings within 10 days;
- Continue to process 100% of requests for informal conferences within 5 days;
- Dispose of 80% of hearings within 120 days; and
- Continue to docket 100% of appeals within 60 days.

**Performance Measures:**

<u>Outputs:</u>	<u>Actual FY 1999-2000</u>	<u>Actual FY 1998-1999</u>
Average Cost to Process Hearing Request	\$ 163.62	\$ 150.29
Average Cost of a Hearing	\$ 656.16	\$ 519.58
Average Cost to Process Informal Conference Request	\$ 81.18	\$ 74.68
Average Cost of Informal Conference	\$ 127.67	\$101.60

Outcomes:

Request for Hearing Processed Within 10 Days (down from 21 days in FY95-96)	100%	100%
Request for Viewing Processed Within 5 Days	100%	100%
Appellate Requests Docketed Within 60 Days (down from 90 days in FY 95-96)	100%	100%
Informal Conferences Disposed of Within 90 Days	80%	80%
Hearings Disposed of Within 120 Days	80%	80%
Appeals Disposed of Within 90 Days	90%	90%

## DESCRIPTION OF PROGRAMS

**Program Name:** Insurance & Medical Services

**Program Mission:**

Assure availability of workers' compensation benefits to injured workers, provide employers a self-insurance alternative, and contain medical costs.

**Program Cost:**

Funds expended in FY 1999/2000 for the Insurance & Medical Services Department were \$525,529. This funding consisted of the following sources of funds: State - \$433,388 Other - \$92,141. Total funds expended in FY '98/99 for the Insurance & Medical Services Department were \$510,414. The total number of FTE's in the Insurance & Medical Services Department was 12.1.

**Program Goals:**

Develop and maintain payment systems for hospitals, physicians, and other health care providers for services provided to workers' compensation patients; review all applications from corporations and prospective funds to self-insure their workers' compensation liabilities; monitor the financial condition of all self-insured funds and self-insured corporations; and ensure all companies and individuals encompassed by the Workers' Compensation Act comply with its provisions in the most accurate and reliable manner possible.

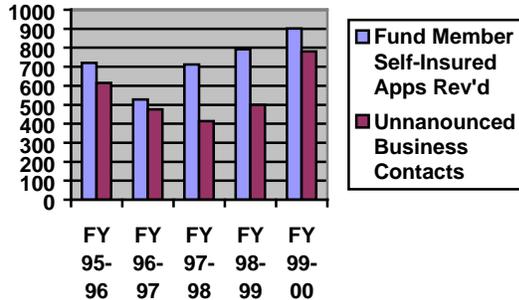
**Program Objectives:**

- Revise as necessary and maintain the *Medical Services Provider Manual* and the hospital inpatient and outpatient systems;
- Continue to review 100% of contested medical bills within 5 days;
- Continue to review of 100% of corporate applications to self-insure within 60 days of receipt of the completed applications;
- Continue to review 100% of fund member applications to self-insure within 2 days of receipt of the completed applications;
- Collect 100% of self-insured taxes within 120 days of the end of each self-insured's fiscal year;
- Increase by 10% the number of self-insured audits;
- Increase the percentage of compliance cases closed within 120 days;
- Increase by 10% the number of unannounced business contacts; and
- Maintain employers coverage database and verify coverage within 5 days.

**Performance Measures:**

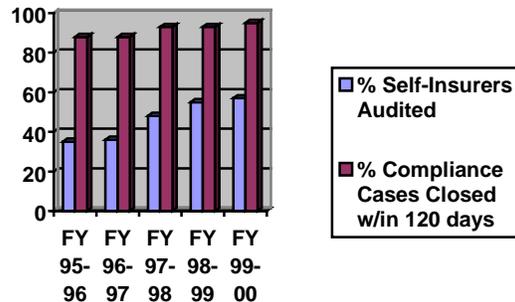
<u>Outputs:</u>	<u>Actual FY 1999-2000</u>	<u>Actual FY 1998-1999</u>
Medical Services Provider Manual Revised and Published	1	1
Corporate Self-Insured Applications Reviewed	17	10

Fund Member Self-Insured Applications Reviewed	902	792
Unannounced Business Contacts	780	499



Outcomes:

Medical Bills Reviewed Within 5 Days	100%	100%
Individual Self-Insurance Applications Reviewed Within 60 Days	100%	100%
Fund Member Self-Insurance Applications Reviewed Within 2 Days (down from 45 days in FY 95-96)	100%	100%
Self-Insurance Taxes Collected Within 120 Days of Fiscal Year	99%	99%
Self-Insurers Audited	57%	55%
Compliance Cases Closed Within 120 Days	95%	93%
Coverage Verified Within 5 Days	98%	98%



**Significant Events**

On January 24, 2000, after almost two years of work and many months of negotiation, the Commission entered into an agreement with Builders Transport for payment of six workers' compensation claims occurring after Builders Transport filed a voluntary petition under Chapter 11 of the Bankruptcy Code. Builders Transport agreed to pay \$258,000, \$150,000 at the time of the agreement with the remainder to be paid upon approval of their Plan of Reorganization. The agreement was filed with and approved by the Bankruptcy Court during a hearing held February 14, 2000. Builders Transport also agreed to accept the Commission's pre-

petition claim of \$190,384.

Builders Transport, a trucking firm headquartered in Camden, South Carolina, and self-insured for workers' compensation purposes in South Carolina and several other states, filed for bankruptcy on May 21, 1998, in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division. On August 3, 1998, as a result of their failure to meet obligations to injured workers, the Commission intervened and took over administration of Builders Transport's workers' compensation claims. In order to pay these claims, \$1,210,132 was collected from surety bonds and pledged securities provided to the Commission by Builders Transport. The South Carolina Second Injury Fund, which agreed to serve as claims administrator for these claims at no cost to the Commission, estimated total liability, including outstanding medical bills, at \$2.1 million.

October 20, 2000

The Honorable Jim Hodges  
Governor  
State of South Carolina  
South Carolina State House  
Columbia, South Carolina

Dear Governor Hodges:

The South Carolina Workers Compensation Commission is pleased to submit for your review and consideration its Accountability Report for FY 1999-2000. Although we have been submitting accountability reports for many years, we still consider this a work in progress. Through our continuous efforts to refine our processes and service delivery systems, we are constantly improving the relevancy of our business indicators and our ability to accurately measure outcomes.

The Workers' Compensation Commission is a single program agency with a wide range of customers and stakeholders. The mission, goals, objectives and performance measures identified in this report are a product of our continuous improvement efforts. They directly relate to concerns expressed by our staff, customers and stakeholders. This year's report has been tailored to provide an overview of the agency's performance during the covered period. Our goal was to provide the reader with adequate information to compare current results with previous years.

If you have any questions regarding this report or need additional information about the Commission, please contact me.

Sincerely,

ALICIA K. CLAWSON  
Executive Director

Enclosure