



## Ask SAF....

**Q** Am I eligible for workers' compensation benefits if I have a heart attack or stroke?

compensation benefits MAY be paid if the heart attack or stroke was caused by unusual job-related stress, strain, exertion or extraordinary conditions.

**A** Possibly. Workers'

Please feel free to write, e-mail or call the editor with any questions you would like to see addressed in this column.

## FOUR REASONS TO STAY OR RETURN TO THE STATE ACCIDENT FUND

By Shawn Holman

1. The State Accident Fund rates are among the lowest compared to leading private workers' compensation providers operating in South Carolina. State Accident Fund's rates will not drastically increase from one policy period to the next.
2. The State Accident Fund is a member of the SC Workers' Compensation Education Association, the American Association of State Compensation Funds, as well as, a subscriber to the National Council on Compensation Insurance.
3. The State Accident Fund is a guaranteed, nonprofit workers' compensation provider for state and local government entities. Unlike private carriers, your renewal is practically guaranteed.
4. Service is top priority. The State Accident Fund operates like a business with a focus on improving processes and client services. We pledge our best efforts to serve you well.

If you know of a governmental agency in need of SC workers' compensation coverage, please ask them to contact Shawn Holman or Policyholder Services at 1-800-521-6576 or 803-896-5856.

We understand that cancellations are inevitable due to mergers and other circumstances. Please remember, the State Accident Fund must receive a written cancellation notice within 30 days of the policyholder's intent to withdraw.

## CompEndium Service Commitment

CompEndium Services would like to thank the SC State Accident Fund (SAF) policyholders for a year of growth towards Medical Management within the state. Medical Management is defined as the assessment and coordination of medical care needs and response to treatment, with a focus on early intervention between the patient and providers to facilitate optimal recovery and early return to work.

In the fall of 2001, the SAF submitted surveys to the policyholders for feedback of the services provided by CompEndium. We have reviewed each response and have taken the following actions to improve or sustain the level of service provided to the policyholders of the SAF:

- Dedicated Medical Manager Nurse Consultants to specific geographic/policyholder teams. The assignment of Medical Managers is reflective of the SAF adjuster breakdown. This reorganization has promoted the team effort for claims and provides a primary contact for each policyholder and SAF adjuster.
- Developed computer enhancements, which have allowed for more timely communication regarding medical and disability status to employers and adjusters. This has also improved the accuracy of billing practices associated with each case.
- Monthly in-service programs scheduled for CompEndium staff dedicated to all areas of "Customer Service" to ensure Continuous Quality Improvement (CQI).
- Frequent management meetings with SAF to review performance levels, problem resolution, and customer service areas. This provides us the ability to facilitate and resolve issues fairly and expeditiously, so that we may maintain a high level of service.
- Monthly and quarterly technical claim quality reviews are performed on: coverage documentation, medical/expense management, strategy/direction of the case, support of special handling instructions, and client reporting; among a variety of other technical attributes. This allows us the opportunity to ensure that proper treatment is being provided to injured worker, the information cycle is revolving consistently and policyholder information is maintained in a timely manner.

CompEndium's service goal is to mitigate medical, disability, and litigation cost to the lowest possible level, while insuring that treatment is appropriate, of the highest quality, and provided in the most effective and timely manner, with focus to return the injured employee to their previous level of functioning.

We invite you to contact us with any observations regarding opportunities we may have to better meet your needs. You may contact us at [support@compendiumusa.net](mailto:support@compendiumusa.net) or 877-709-2667.

We look forward to another year of assisting the South Carolina employers with their cost management goals.

Sincerely,

Bobby Collins  
Chief Operating Offices  
CompEndium Services, Inc.

## Welcome New Policyholders!

BURTON FIRE  
BURTON, SC

COMMUNITY COALITION OF HORRY COUNTY INC.  
CONWAY, SC

DACUSVILLE FIRE  
EASLEY, SC

EUREKA VFD  
AIKEN, SC

FAIRFIELD EMS  
WINNSBORO, SC

GANTT FIRE, SEWER & POLICE DISTRICT  
GREENVILLE, SC

GOUCHER WHITE PLAINS VFD  
GAFFNEY, SC

GREENVILLE DSN BOARD  
GREENVILLE, SC

INMAN COMMUNITY VFD  
INMAN, SC

KEOWEE KEY FIRE DEPT.  
SALEM, SC

LANGLEY FIRE DEPARTMENT  
LANGLEY, SC

NORTH SPARTANBURG AREA FIRE & RESCUE  
DISTRICT  
SPARTANBURG, SC

PELHAM-BATESVILLE FIRE DISTRICT  
GREER, SC

ROEBUCK FIRE DEPARTMENT  
ROEBUCK, SC

SENIOR OPTIONS, INC.  
CLINTON, SC

SURFSIDE RESCUE SQUAD, INC.  
SURFSIDE BEACH, SC

TEGA CAY VFD  
TEGA CAY, SC

WADE HAMPTON FIRE & SEWER DISTRICT  
GREENVILLE, SC



The SAF Source is a quarterly newsletter published by the South Carolina State Accident Fund as a vehicle to provide news, technical information and guidance to state/local government policyholders, policymakers and others concerned with the management of workers' compensation programs.

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# “DE” FINING OUR FORMS

## Part 1: The First Report and Form 18 Periodic

By Connie Mack

Adjusters have been sending out request after request for signatures on different forms for years. Well, after reviewing my open claims list it has come to my attention that our policyholders may not be aware of the purpose of all of these forms.

In fact most of the requests are being forwarded directly to the injured worker. I hope this article will clarify the purpose of these forms and their importance. Knowledge is definitely power. An informed policyholder is better prepared to respond to an injured worker's questions and help the workers' compensation adjuster get the appropriate forms and signatures in a timely manner, which will minimize the number of fines.

*This article is the first of a three part series on "Forms and Fines" written by Connie Mack, Claims Adjuster.*

**Background:** It is the responsibility of the SC Workers' Compensation 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. Since July 1, 2000 the Commission has collected over \$336,000 in fines from insurers for failure to comply with the laws, rules, and regulations. A large number of these fines are a direct result of failure to file forms in a timely manner.

The first form normally generated on any claim is the Form 12-A (Employers' First Report of Injury/Illness). However, at times claims bypass the employer and the insurance carrier and are filed directly with the Workers' Compensation Commission. The Commission then assigns a file number that is separate from the State Accident Fund number. The Commission usually requests a Form 12-A (Employers' First Report of Injury/ Illness) from the carrier. If

we do not have one on file, we request one from the policyholder. Failure to provide the Commission with a completed Form 12-A (Employers' First Report of Injury/ Illness) within ten days is a \$100 fine.

Once the Commission has assigned a file number to a claim, the carrier is required by law to keep the commission updated on the case by filing a Form 18 periodic report every six months until the case is complete (Closed). This form does not require a signature from the injured worker, only from the adjuster that is handling the case. Each missing or late Form 18 results in a \$100 fine.

How can policyholders help? Policyholders can

help prevent fines by responding to requests for first reports as quickly as possible and by informing us immediately if they become aware of an employee who may have filed a claim with the commission or obtained an attorney in reference to an alleged injury. If the Commission has an open file we are not aware of, it will result in fines for failure to file the appropriate forms in a timely manner.

## THE SAF SOURCE

SPRING 2002

*SC State Accident Fund's Quarterly Workers' Compensation News and Information Resource*

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## The ABCs of Workers' Comp

**Average Weekly Wage (AWW)** - A claimant's average weekly salary (including bonuses and overtime) at the time of an on-the-job injury. The AWW is verified and averaged for one (1) year prior to the accident using the Workers' Compensation Commission's Form 20. The AWW may include wages from a second job.

**Compensation Rate** —Two-thirds (66.67%) of a claimant's average weekly wage, subject to a minimum and maximum amount set by law. This amount is the basis of all temporary and permanent compensation payments.

**Disfigurement** - Any serious scarring to the face, head, neck or other area normally exposed in employment.

**Running Award** —The automatic generation of weekly temporary disability checks to a claimant while that employee is unable to work.

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Volume 7, Issue 3

Spring 2002

# THE SAF SOURCE

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## Reducing the Cost of Prescription Drugs

By Betsy Hendrix

To assist policyholders in controlling claim costs and ultimately the cost of their workers' compensation insurance, the State Accident Fund is contracted with CorVel Corporation, a nationally recognized provider of managed care services for employers, Third Party Administrators and insurance companies.

The CorVel CoreCare Rx pharmacy program provides savings on prescription medications, through agreements with a network of nationally recognized retail pharmacies. This program can save up to 50% off the retail price of prescriptions associated with a workers' compensation claim. During the period January 1, 2001 through December 31, 2001, pharmacies billed the State Accident Fund \$405,843.92 for prescriptions, the CoreCare Rx program reduced that amount to \$311,981.15, for a gross savings of \$93,862.77 and a net savings of \$61,009.76 or approximately 15%.

The CoreCare Rx program eliminates the need for the injured employee to pay out of pocket for prescription medications. It also helps to prevent the purchase of medications that are not related to the workers' compensation claim. If a prescription is in excess of \$300, the drug is not traditionally used for workers compensation injuries (i.e. birth control pills), a prescription is refilled before the physician has indicated a refill, or if the quantity is in excess of 100 pills, the program has safeguards which prevent the prescription from being filled without adjuster approval.

As the first point of contact, CompEndium Services provides the injured employee with the State Accident Fund group number for the CoreCare Rx program. At the time the injured employee presents a prescription to a CoreCare Rx pharmacy, the employee should notify the pharmacist that the bill is to be electronically transmitted through CorVel CoreCare Rx. The State Accident Fund adjuster will advise CorVel if there is any change in the injured worker's claim status so that access to the pharmacy program can be discontinued when a claim is settled or denied.

If you need further information or assistance with the CoreCare Rx program, please call **Lititia Walden or Betsy Hendrix at 803-376-5065.**

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