

**Agency Activity Inventory**  
by Agency  
**Appropriation Period: FY 2010-11**

**Agency:** R16 - Second Injury Fund

**Functional Group:** Transportation &  
Regulatory

**1332 Claims Administration**

Claims administration is the primary activity of the agency. It exists to investigate, evaluate and make the final decision to accept, compromise, or deny claims for payment. SC Code of Laws Sections 42-7-200;42-7-310;42-7-320,42-7-400 and 42-7-410 (Same for all activities)

**Statewide Result Area:** Improve the conditions for economic growth

**Strategy:** Provide for a reasonable and safe business regulatory environment.

**FY 2010-11**

Total	General Funds	Federal Funds	Non-Recurring Provisos	Part III (ARRA Funds)	Other Funds	FTEs
\$722,549	\$0	\$0	\$0	\$0	\$722,549	9.00

**Other Fund - Subfund No. & Title:**

4799 Second Injury Fund - Admin

**Budgetary Program No.:** I

**Expected Results:**

Expected Results are to protect employers from increased workers' compensation insurance costs; advance the hiring and retention of the disabled; to ensure payment of workers' compensation benefits to injured workers whose employers are in violation of the Workers' Compensation Law; prompt determination of eligibility; efficient claims processing and payments; contain claims cost; and sound fiscal management.

**Outcome Measures:**

606 employers benefited from the Second Injury Fund in FY10 vs. 783 in FY09. 510 injured workers received benefits from the Uninsured Employers' Fund in FY10 vs. 597 in FY09. 57% of Second Injury Fund claims were accepted within 4 years of the date of accident, ensuring that these claims should not have an adverse affect on the employer's workers' compensation insurance premium. Reduced the annual assessment by \$23.3 million in FY10 vs. \$24.7 million in FY09 through a stringent reimbursement audit process. Administrative cost ratio for the Second Injury Fund and Uninsured Employers Fund are 2% and 7% respectively. These cost ratio are considerably lower than insurance industry administrative cost ratio.

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**1333 Legal**

Represent the agency in contested claims before the Workers' Compensation Commission and in all appeals to higher courts

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**Statewide Result Area:** Improve the conditions for economic growth

**Strategy:** Provide for a reasonable and safe business regulatory environment.

**FY 2010-11**

Total	General Funds	Federal Funds	Non-Recurring Provisos	Part III (ARRA Funds)	Other Funds	FTEs
\$393,386	\$0	\$0	\$0	\$0	\$393,386	5.00

**Other Fund - Subfund No. & Title:**

4799 Second Injury Fund - Admin

**Budgetary Program No.:** I

**Expected Results:**

Timely identify, investigate and assess complex and high-dollar claims; efficient and economic use of in-house legal staff and contract attorneys; vigorously defend claims before the Workers' Compensation Commission and appellate courts

**Outcome Measures:**

Achieved expected results before the Workers' Compensation Commission; contributed to the development of case law favorable to the agency and the state.

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**1334 Recoveries**

Evaluate and investigate all paid Uninsured Employers' Fund claims to determine prospect of the recovery of all costs paid by the Fund

**Statewide Result Area:** Improve the conditions for economic growth

**Strategy:** Provide for a reasonable and safe business regulatory environment.

**FY 2010-11**

Total	General Funds	Federal Funds	Non-Recurring Provisos	Part III (ARRA Funds)	Other Funds	FTEs
\$109,110	\$0	\$0	\$0	\$0	\$109,110	1.00

**Other Fund - Subfund No. & Title:**

4799 Second Injury Fund - Admin

**Budgetary Program No.:** I

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**Expected Results:**

Recover 15% or more of claims paid

**Outcome Measures:**

Recovered 7% of claims paid in FY10.

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**1335 Administration**

Provides executive leadership; support; policy development and review; internal programs such as finance, budget, human resources, procurement, and staff development; and other administrative support services

**Statewide Result Area:** Improve the conditions for economic growth

**Strategy:** Administration

**FY 2010-11**

Total	General Funds	Federal Funds	Non-Recurring Provisos	Part III (ARRA Funds)	Other Funds	FTEs
\$589,657	\$0	\$0	\$0	\$0	\$589,657	8.00

**Other Fund - Subfund No. & Title:**

4799 Second Injury Fund - Admin

**Budgetary Program No.:** I

**Expected Results:**

No material findings on annual financial audit; Ensure all policies are current with enabling laws and regulations; customer survey reflect positive on services provided

**Outcome Measures:**

No material finding on audits in past 21 years; All policies are current and known by all employees; custom surveys reflect 95% positive responses over last 9 years

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**AGENCY TOTALS**

*Second Injury Fund*

<b>TOTAL AGENCY FUNDS</b>	<b>TOTAL GENERAL FUNDS</b>	<b>TOTAL FEDERAL FUNDS</b>	<b>TOTAL OTHER FUNDS</b>
\$1,814,702	\$0	\$0	\$1,814,702
	<b>TOTAL NON-RECURRING FUNDS</b>	<b>TOTAL PART III FUNDS</b>	<b>TOTAL FTEs</b>
	\$0	\$0	23.00