



South Carolina State Accident Fund

STATE ACCIDENT FUND

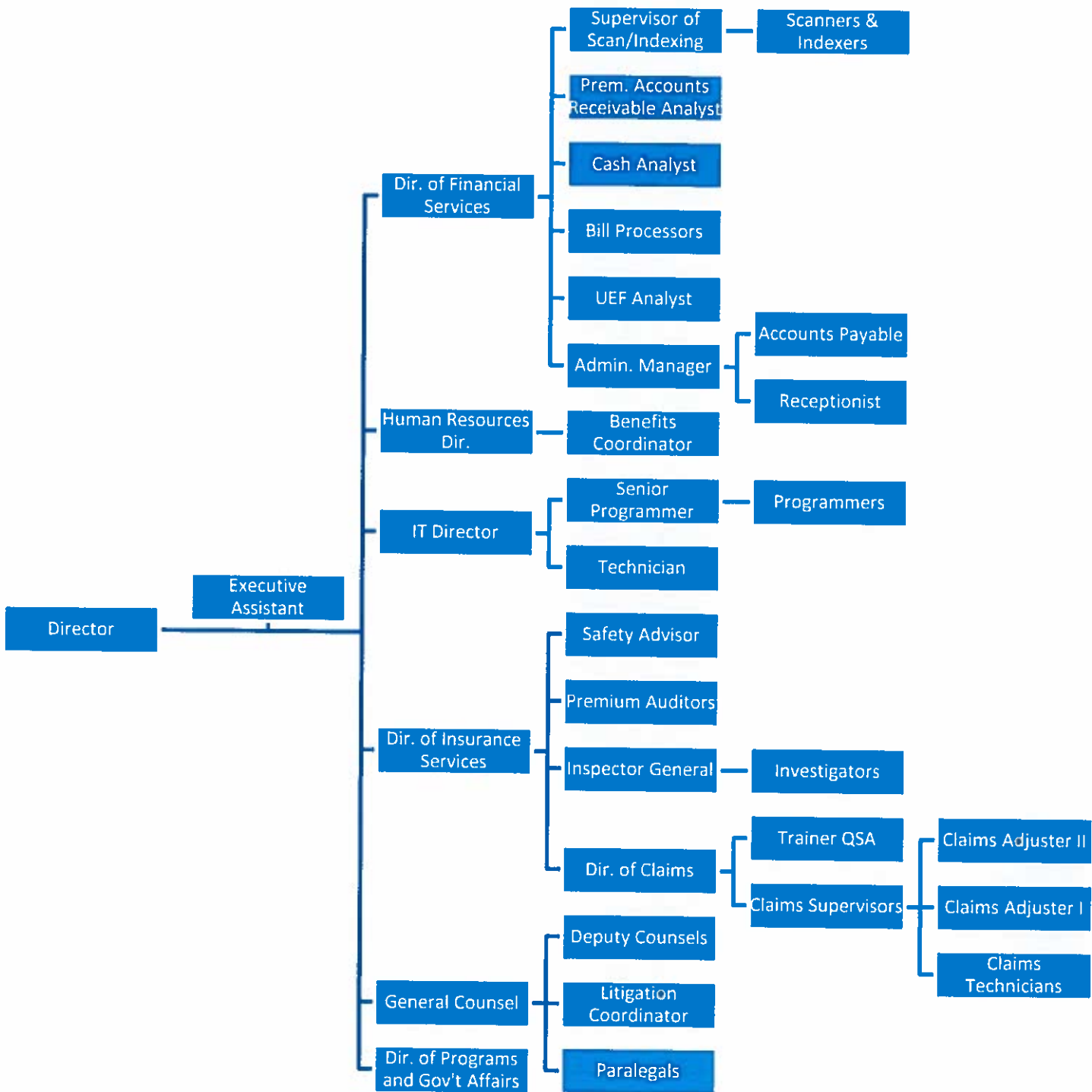
Director:
Amy V. Cofield

(803) 896-5840
director@saf.sc.gov

Abigail Sellers
Fiscal Services Director
(803) 896-5872

Agency Overview

- The State Accident Fund (SAF) is the provider of workers' compensation insurance for all state agencies and other governmental entities. SAF also includes the SC Uninsured Employers' Fund (UEF).
- SAF does not receive funds from the General Fund. It is funded solely from premiums collected from policyholders.
- UEF is also other funded. It receives funding from Department Of Insurance and the Workers Compensation Commission.



State Accident Fund

FTE Breakdown

Authorized Positions	88
Filled Positions	75
Vacant Positions	13

AGENCY NAME:	State Accident Fund		
AGENCY CODE:	R120	SECTION:	75

**Fiscal Year 2019–2020
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	<p>To provide cost effective, guaranteed workers' compensation insurance for state agencies and optional coverage for other governmental entities, and to provide superior servicing for policy holders and injured workers.</p>
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AGENCY VISION	<p>The South Carolina State Accident Fund will be recognized as a progressive and intuitive state agency and leader in the field of workers' compensation insurance for governmental entities.</p>
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Does the agency have any major or minor recommendations (internal or external) that would allow the agency to operate more effectively and efficiently?

RESTRUCTURING RECOMMENDATIONS:	Yes	No
	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 2-1-230, which requires submission of certain reports to the Legislative Services Agency for publication online and to the State Library? See also S.C. Code Ann. § 60-2-30.

REPORT SUBMISSION COMPLIANCE:	Yes	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

AGENCY NAME:	State Accident Fund		
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Is the agency in compliance with various requirements to transfer its records, including electronic ones, to the Department of Archives and History? See the Public Records Act (S.C. Code Ann. § 30-1-10 through 30-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

RECORDS MANAGEMENT COMPLIANCE:	Yes	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 1-23-120(J), which requires an agency to conduct a formal review of its regulations every five years?

REGULATION REVIEW:	Yes	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please identify your agency's preferred contacts for this year's accountability report.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	David Andrews	803.896.5044	dandrews@saf.sc.gov
SECONDARY CONTACT:	Abby Sellers	803.896.5872	asellers@saf..sc.gov

I have reviewed and approved the enclosed FY 2019–2020 Accountability Report, which is complete and accurate to the extent of my knowledge.

**AGENCY DIRECTOR
(SIGN AND DATE):**

--

(TYPE/PRINT NAME):

Amy V. Cofield

**BOARD/CMSN CHAIR
(SIGN AND DATE):**

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(TYPE/PRINT NAME):

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AGENCY NAME:	State Accident Fund		
AGENCY CODE:	R120	SECTION:	75

AGENCY'S DISCUSSION AND ANALYSIS

The South Carolina State Accident Fund (SAF) was established in 1943 for the purpose of providing workers' compensation coverage and administration for all state agencies and other local governmental entities. By creating a state agency for the sole purpose of "self-insuring," the state of South Carolina provides a stable source of guaranteed insurance coverage so that state workers are not placed at any undue risk.

The mission of SAF is to provide cost effective, guaranteed workers' compensation insurance for state agencies and other governmental entities along with exceptional service to its state workers.

As set forth by statute, the State Accident Fund determines rates and premiums in the same manner as a private insurance company. It is funded entirely by the premiums it collects and receives no general funds from the state of South Carolina.

On July 1, 2013, the administration of the South Carolina Workers' Compensation Uninsured Employers' Fund (UEF) was transferred to the State Accident Fund. The UEF was created to ensure payment of workers' compensation benefits to injured employees whose employers failed to acquire necessary coverage for the employees as required. The UEF is funded from the collections of tax on insurance carriers and self-insureds.

The agency's major applicable achievements include:

- Agency remained financially sound and self-sustaining;
- Implementation of new efforts and vendors have improved services and savings;
- Successfully improved claims mediation and settlement efforts;
- Improved cost saving efforts totaling \$1,072,793.21 from last year;

Medical services/ Charge Review - \$1,893,973.02

Pharmacy Services - \$5,389,022.31

Subrogation Services - \$816,330.75

Physical Therapy Services - \$311,148.00

Second Injury Fund Recoveries - \$3,524,336.51

Collection Services (UEF) - \$651,085.48

- Reduced premium rates by 15% overall.

Some of the primary goals for SAF include:

- Continued efforts to update and improve the IT Department to include a new case management system as well as the incorporation of updated equipment and programs that will facilitate job performance and ensure the security and integrity of information;
- Implementation of updated "Safety and Risk" instruction services;
- Further efforts to reach more governmental entities to establish new partnerships;
- Transitioning the agency to a new location.

State Accident Fund
Fiscal Year July 1, 2020 - December 31, 2020
Budget vs Actual Expenditures

CI	Description	Budget	Actual	Remaining	Percentage Expended
501015	Director	135,280.00	67,639.92	67,640.08	50.00%
501058 - 070	Classified Positions & Personal Services	3,700,438.00	1,858,194.06	1,842,243.94	50.22%
512001	Other Operating	3,519,988.00	497,422.42	3,022,565.58	14.13%
	Administration Total	7,355,706.00	2,423,256.40	4,932,449.60	32.94%
561000	Miscellaneous Operations	5,000.00	-	5,000.00	0.00%
	Educational Training	5,000.00	-	5,000.00	0.00%
513000	Employer Contributions	1,496,069.00	801,368.48	694,700.52	53.56%
	Employer Contributions Total	1,496,069.00	801,368.48	694,700.52	53.56%
Total		8,856,775.00	3,224,624.88	5,632,150.12	36.41%

State Accident Fund
Fiscal Year July 1, 2019 - June 30, 2020
Budget vs Actual Expenditures

CI	Description	Budget	Actual	Remaining	Percentage Expended
501015	Director	133,614.58	133,614.58	-	100.00%
501058 - 070	Classified Positions & Personal Services	3,686,849.73	3,485,834.41	201,015.32	94.55%
512001	Other Operating	3,519,988.00	1,511,462.30	2,008,525.70	42.94%
	Administration Total	7,340,452.31	5,130,911.29	2,209,541.02	69.90%
561000	Miscellaneous Operations	5,000.00	-	5,000.00	0.00%
	Educational Training	5,000.00	-	5,000.00	0.00%
513000	Employer Contributions	1,511,322.69	1,511,322.69	-	100.00%
	Employer Contributions Total	1,511,322.69	1,511,322.69	-	100.00%
Total		8,856,775.00	6,642,233.98	2,214,541.02	75.00%

**State Accident Fund
Carry Forward Funds**

Fund	Title	Comments
32339000	AFS - WORKS' COMP FD	The funds carried forward do not increase the agency's budget authorization
32339001	AFS - UNINSURED EMPLRS	The funds carried forward do not increase the agency's budget authorization

FY 21-22 Prioritized Budget Request Summary

State Accident Fund

BUDGET REQUESTS		FUNDING					FTEs					
Priority	Request Type (recurring, non-recurring, capital)	Request Title	Brief Description	General - Recurring	General - Nonrecurring	Other	Federal	Total	State	Other	Federal	Total
1	Recurring	Other Fund Authorization	Increase agency staffing to improve agency service, Update IT equipment and security, Claims System Implementation			1,954,288.00		1,954,288.00				0.00
2								0				0.00
3								0				0.00
4								0				0.00
5								0				0.00
6								0				0.00
7								0				0.00
8								0				0.00
9								0				0.00
10								0				0.00
11								0				0.00
12								0				0.00
13								0				0.00
14								0				0.00
15								0				0.00
16								0				0.00
17								0				0.00
18								0				0.00
19								0				0.00
20								0				0.00
TOTAL BUDGET REQUESTS				\$	\$	\$	\$	\$	0.00	0.00	0.00	0.00

Agency Name: State Accident Fund
 Agency Code: R120 Section: 75



Fiscal Year FY 2021-2022
 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)

For FY 2021-2022, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting General Fund Appropriations
<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization
<input type="checkbox"/>	Not requesting any changes

NON-RECURRING REQUESTS (FORM B2)

For FY 2021-2022, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting Non-Recurring Appropriations
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization
<input checked="" type="checkbox"/>	Not requesting any changes

CAPITAL REQUESTS (FORM C)

For FY 2021-2022, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects
<input checked="" type="checkbox"/>	Not requesting any changes


PROVISOS (FORM D)

For FY 2021-2022, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references)
<input checked="" type="checkbox"/>	Not requesting any proviso changes

Please identify your agency's preferred contacts for this year's budget process.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Amy V. Cofield	(803) 896-5840	acofield@saf.sc.gov
SECONDARY CONTACT:	Abigail Sellers	(803) 896-5872	asellers@saf.sc.gov

I have reviewed and approved the enclosed FY 2021-2022 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE:	<i>Agency Director</i> 	<i>Board or Commission Chair</i>
TYPE/PRINT NAME:	Amy V. Cofield	

This form must be signed by the agency head – not a delegate.

Agency Name	State Accident Fund
Agency Code	R120
Location	75

BUDGET REQUESTS			FUNDS					FIES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Requesting Other Fund Authorization	0	0	1,954,288	0	1,954,288	0.00	0.00	0.00	0.00	0.00
TOTALS			0	0	1,954,288	0	1,954,288	0.00	0.00	0.00	0.00	0.00

Agency Name: State Accident Fund

Agency Code: R120

Section: 75

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY

1

Provide the Agency Priority Ranking from the Executive Summary

TITLE

Requesting Other Fund Authorization

Provide a brief descriptive title for this request

AMOUNT

General: \$0
Federal: \$0
Other: \$1,954,288
Total: \$1,954,288

What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary

NEW POSITIONS

0.00

Please provide the total number of new positions needed for this request

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
<input type="checkbox"/>	Non-manipulated change in eligibility/enrollment for existing program
<input type="checkbox"/>	Non-manipulated program change in service levels or areas
<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
<input type="checkbox"/>	Loss of Federal or other external financial support for existing program
<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
<input checked="" type="checkbox"/>	IT Technology Security related
<input checked="" type="checkbox"/>	Consulted DIO during development
<input type="checkbox"/>	Related to a Non-Recurring request - If so Priority # 0

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objectives:

<input type="checkbox"/>	Education, Training and Human Development
<input type="checkbox"/>	Healthy and Safe Families
<input type="checkbox"/>	Maintaining Safety, Integrity and Security
<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS

This budget request supports all of the agency's goals and objectives. It provides the resources needed to: "Maintain (a) High Level of Customer Satisfaction, "Be the Leader in South Carolina Workers' Compensation rule and regulation compliance, "Agency remain financially self-sustaining." The Fund's financial records will reflect a cumulative net gain in assets.

What specific strategy as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF

Agency Employees

FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated - using an existing formula, through a competitive process based upon predetermined eligibility criteria?

The agency is continuing to strive to develop more quality and efficient procedures that will ensure overall improvement in productivity and decrease costs to policy holders. This includes major upgrades to our IT department and systems and an increase in support staff. System upgrades will increase stability and security within our IT department and agency.

JUSTIFICATION OF REQUEST

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested explain why existing resources are not sufficient.

FY 20-21 Proviso #	Renumbered FY 21-22 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
75 1	75 1	SAF. Educational Seminar Revenue	Authorizes the State Accident Fund to collect fees for educational seminars & retain those funds for seminar related expenses	Prior to 2001	DELETE	75.1. (SAF. Educational Seminar Revenue) The State Accident Fund is authorized to set and collect fees for educational seminars. All revenue earned from educational seminars shall be retained by the agency and used for supplies, materials, and other expenses relating to the seminars. 75.2. (SAF. Military Disability) (A) From the funds credited to the State Accident Fund in the current fiscal year, there is 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 serving during the catastrophic weather event in October 2015. The settlement must be based upon that which persons under similar circumstances in the military service of the United States receive from the United States. The director may seek assistance in establishing the program from the Adjutant General or any other agency or entity with such expertise.
75 2	75 2	SAF. Military Disability	States that State Accident Fund will establish 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.	FY 19-20, 2 years	NO CHANGE	(B) A National Guard member may only participate in this program if the member permanently waives any right to claim benefits pursuant to Section 25-1-100 and releases the State from any potential liability pursuant to Section 25-1-100, and further agrees that any amounts due under this proviso are subject to appropriate offsets to avoid compensation in excess of what the member would have received from the federal government if permanently disabled while performing (federally paid duty. Offsets include benefits received, or to be received, under Title 42 of the 1976 Code as a result of these injuries (State Workers Compensation), benefits received, or to be received, pursuant to Chapter 10 of Title 8 of the 1976 Code (SC National Guard Retirement System), as well as any benefits received, or to be received, from the federal government such as severance pay, military retirement pay, or VA benefits relating to the same disabilities at issue in the State military disability claim.