

State of South Carolina

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Workers' Compensation Commission

August 4, 2014

The Honorable Nikki R. Haley
Governor of South Carolina
Office of the Governor
1205 Pendleton Street
Columbia, South Carolina 29201

Dear Governor Haley:

We are writing you in our capacity as workers' compensation commissioners to extend our sincere appreciation and gratitude for your appointment of Scott Beck as Chairman of the Workers' Compensation Commission. As you are aware, Commissioner Beck was unanimously selected by his colleagues to serve as Interim Chairman, and because of his sound leadership skills and the high regard in which he is held, you subsequently appointed him as Chairman for a two year term beginning July 1, 2014. We are hereby respectfully requesting that you (a) consider legislation that would allow Commissioner Beck's term to extend beyond 2016 (under current law, a chairman is limited to a 2-year term as chairman and cannot be reappointed to a consecutive term, pursuant to Section 42-3-20 (B)), or (b) take no action with regard to appointing another chairman, such that Commissioner Beck may continue to serve the commission as chairman.

We believe the leadership of Commissioner Beck as Chairman is critical to the continued success of the SC Workers' Compensation Commission as an agency and the system as a whole. While the entire Commission as a public body is ultimately responsible for making decisions to change policies and procedures to improve the system, "The chairman is the chief executive officer of the commission and shall execute the policies established by the commission in its capacity as the governing body"... (§ 42-3-25). Commissioner Beck's leadership has served as the catalyst to bring about the changes in policies and procedures which resulted in substantial improvements in the system and the agency's operations. For example, a change in the review and docketing of cases resulted in the reduction of the time required for a hearing to be conducted from 9 months

to 2.5 months. Commissioner Beck was initially appointed to the Commission in 2008. Since his involvement on the Commission and under his leadership medical costs have stabilized and have actually increased less than the cost of living index. To further improve the system, Chairman Beck led the Commission's participation in a public-private initiative to allow employers to be electronically notified when a change in workers' compensation insurance coverage occurs with a subcontractor. To date over 200 employers have obtained insurance for over 2,100 previously uninsured workers.

As a result of improvements with the electronic data interchange system, insurance carriers are now able to submit required reports timely thereby reducing their potential financial liability of fines and assessments. While this reduces the operating revenues of the Commission, Chairman Beck takes the position that the Commission's mission is not to implement policies to generate operating income, but to ensure compliance with statutes and regulations adopted by the General Assembly. He continually espouses the philosophy to the Commission and the employees the importance of doing the right thing.

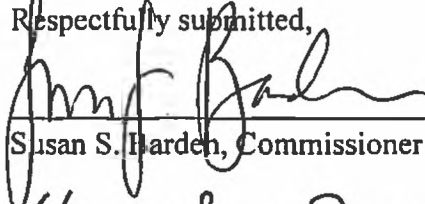
Another characteristic shown by the leadership of Chairman Beck is integrity. The sign of a true leader is making difficult choices when faced with difficult situations. A situation arose with the actions of a single Commissioner who violated the Judicial Code of Conduct. As a result of the admission of the action, Chairman Beck provided the leadership for the Commissioners to file charges against a peer in order to ensure the integrity of the Commission. Subsequently the Commissioner resigned and was fined for the violations.

Because the Commission is a small agency with 54 employees and has limited resources Chairman Beck has established a standard of high expectations with regard employee performance. His favorite adage is "if everyone is not giving 100 percent rowing the boat equally, the boat will not move forward. It will only go in circles." Collaboration, critical thinking and team work constitute the foundation of his executive leadership style. Everyone's input is valuable when it comes to solving a problem and getting the job done. Commissioner Beck's guidance during the past 5 years leads us to firmly believe that consistency has been a critical component in the successful improvements to the workers' compensation system. That is why we are asking you to consider supporting a change to the statute to allow you more flexibility to retain someone of Commissioner Beck's caliber in the

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leadership position to complete what we have begun and prepare us for the ever changing environment in the workers' compensation system.

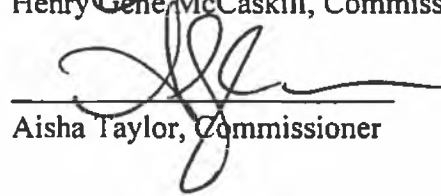
Respectfully submitted,

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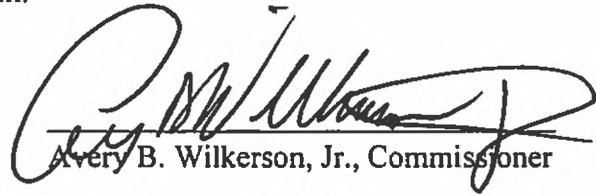
Susan S. Harden, Commissioner

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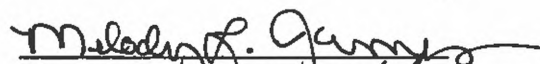
Henry Gene McCaskill, Commissioner

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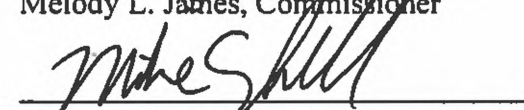
Aisha Taylor, Commissioner

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Avery B. Wilkerson, Jr., Commissioner

A handwritten signature in black ink, appearing to read "Melody L. James", written over a horizontal line.

Melody L. James, Commissioner

A handwritten signature in black ink, appearing to read "Michael R. Campbell II", written over a horizontal line.

Michael R. Campbell II, Commissioner