



SC Department of Archives & History

Electronic Records Transmittal Form

<p>Transmit Records To:  South Carolina Department of Archives &amp; History  Records Management  8301 Parklane Rd  Columbia, SC 29223-4905  Telephone: 803-896-6119  Fax: 803-896-6138  E-mail: mdantzler@scdah.sc.gov</p>	<p>Instructions:</p> <ol style="list-style-type: none"> <li>1) Decide which records are ready to be transferred.</li> <li>2) With the help of SCDAH, determine the best method of transfer for the chosen records.</li> <li>3) Complete the following transmittal form.</li> <li>4) Please complete one form per retention schedule.</li> <li>5) Send the completed form and transfer the electronic records to the Archives.</li> </ol>
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Part I: Agency Information

1. Record Group Number: 228	2. Date of Transfer: 03/01/2022
3. Agency Name: South Carolina State Accident Fund	4. Division Name: Executive
5. Address: P.O. Box 1166, Lexington, SC 29071	6. Name of Records Officer (RO): Matthew Hansford
7. Records Officer Telephone Number: 803-896-5821	8. Records Officer Signature: <i>Matthew Hansford</i>
9. Records Officer Email Address: mhansford@saf.sc.gov	
10. Name of Transfer Contact (if different from RO):	11. Telephone Number:
12. Transfer Contact Email Address:	

Part II: Record Information

13. Retention Schedule Number associated with these records: 12-302	
14. Retention Schedule Title associated with these records: Meeting Minutes (Executive)	
15. Variant Title (Within Agency): AQC Meeting Minutes	
16. Estimated size of Transfer (MB):	17. Inclusive Dates: 12/21/1998 - 12/20/1999
18. Electronic Media included (Please check all that apply):	19. To the best of your knowledge, do these records contain Personally Identifiable Information (PII): <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
<input type="checkbox"/> Tape <input type="checkbox"/> CD/DVD <input type="checkbox"/> Hard drive <input type="checkbox"/> Removable Hard drive <input checked="" type="checkbox"/> Other	If yes, what kind? (Please check all that apply): <input type="checkbox"/> Social Security Numbers <input type="checkbox"/> Credit Card Numbers <input type="checkbox"/> Passwords or PINs <input type="checkbox"/> Other Please describe:
20. File Format(s) included (Please check all that apply):	
<input checked="" type="checkbox"/> PDF or PDF/A <input type="checkbox"/> Microsoft Office <input type="checkbox"/> Word <input type="checkbox"/> Excel <input type="checkbox"/> PowerPoint <input type="checkbox"/> Access <input type="checkbox"/> Publisher <input type="checkbox"/> Images <input type="checkbox"/> JPEG <input type="checkbox"/> TIFF <input type="checkbox"/> PNG <input type="checkbox"/> Other <input type="checkbox"/> Database (.accdb, .mdb, .dbf, .sql) <input type="checkbox"/> Email (.pst files) <input type="checkbox"/> Audio (.wav, .aiff, .wma, .mp3, .m4a) <input type="checkbox"/> Video (.avi, .mp4, .mov, .wmv) <input type="checkbox"/> Other Please describe:	

AQC Minutes 12/21/98

**AQC Members Present were:** Parker, Gamble, Foshee, Pate, Adkins, Murphy and McGregor.

**Agenda Items carried over or having no report were:**

**98.56 Mission Alignment**

**98.01 Revisit TQM progress**

**98.78 Management Succession Plan**

**98.02 Computer Progress (Gamble)**

The AQC received this week's Computer System Activity Report from Ross Gamble. Ross stated that IBM is reluctant to give a target date for going on line in that there is a list of things yet to be completed. Gerald stated he had big concerns regarding CMS and Lawson due to the fact that they have been unable to pass anything from CMS to Lawson to process a bill.

**98.55 Legislative Update (Pate)**

AQC was briefed by Jerry Pate on meetings he, Pete, Ross and David had last week with the SAF Privatization Ad Hoc Committee. Topics ranged from how rates are set, safety and loss control, that there is no Board of Trustees or oversight body for the SAF and how the computer purchase was done. Bobby Bowers with the B&C Board Research & Statistics, explained to the Committee the purchase process, the justification for purchase of a new system, and the approval of Phase I. David Foshee advised that Doug Smith (of IT) will be visiting him Tuesday afternoon, December 22, to discuss IT planning and data regarding the new computer system.

Jerry explained the next step would be to ask five of the largest workers' comp carriers to submit a pro forma statement of their charges for all of the agencies covered by the SAF. This would afford a comparison of "apples and apples" insofar as workers' comp cost are concerned. Those carriers will be invited to attend the next meeting tentatively scheduled for January 6. SAF will be attending and prepared to discuss this issue. Jerry stated that there might also be a possibility for some new workers' compensation legislation. Pete said he would like to do some brainstorming regarding any ideas for new WC legislation which could improve efforts of the SAF to keep costs to a minimum. Pete will send an EM to those who need to be involved in the brainstorming.

**98.80 Centralized Supply Room (Foshee)**

David Foshee reported that there were only a few minor items left to be keyed into the centralized supply system and implementation is scheduled for January 4.

**98.81 Agency Web Page (Foshee)**

David Foshee advised that Jim Matthews is working on the Web Page and should have something ready to put up by the end of January.

**98.85 Employee Satisfaction Survey (Murphy)**

Gerald discussed the survey briefly with AQC. Pete stated he may want to add something to the survey and he and Gerald will meet Tuesday to discuss it further.

**Staff Staff Suggestions:**

One Staff Staff Suggestion was received this week pertaining to the difficulty of opening the heavy door to the claims unit while holding a stack of files.

AQC Minutes 01/04/99

**AQC Members Present were:** Parker, Adkins, Gamble, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The December 21, 1998, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress**

**98.80 Centralized Supply Room (Foshee)**

**98.81 Agency Web Page (Foshee)**

**99.01 Mission Alignment (Parker)**

Pete Parker stated that he had met with Gerald Murphy to work on his Balanced Score Card (BSC). He will continue to meet with other managers to complete their BSC as scheduling permits.

**99.03 Computer Progress (Gamble)**

Ross Gamble distributed the new Computer System *Defect Tracking System Action Plan* to the AQC. He also said that the warrantee period for the Policyholders System (PHS) would not start until it was operational.

**99.04 Legislative Update (Pate)**

Jerry Pate explained to the AQC that Doug Smith (of IT) visited the SAF last week to review the Fund's Management Information System and MIS operations. He said that he, Pete and Ross will be the SAF Privatization Ad Hoc Committee meeting on Wednesday. Ross will discuss how SAF premium rates are determined with the Ad Hoc Committee.

**98.78 Management Succession Plan (Parker)**

The Executive Team met on their Plan for the Management Succession Plan and appointed Gwen Adkins to develop job highlights for the three Executive Team Positions: Director, Chief Administration Officer and Chief Operations Officer. The Executive Team will meet again once this is completed by Gwen to insure the appropriate information is captured to develop staff members for these positions.

**98.85 Employee Satisfaction Survey (Murphy)**

Gerald described the Employee Satisfaction Survey to the AQC. He added that David Foshee suggested that *Team Goals* be added to the Survey. The AQC agreed that the Survey should be revised with the addition of *Team Goals* and reviewed for final approval next week.

**99.06 Annual Surveys (Murphy)**

The State Accident Fund Internal and External Surveys were discussed by Gerald Murphy with the AQC. The AQC **approved** sending the existing External Survey to SAF Policyholder WC and Premium Contacts and mailing the newly developed External Survey directly to each CEO. The AQC had lengthy discussions on a wide variety of issues concerning the SAF Internal Survey which was carried forward to the next meeting.

**99.07 Newsletter Name (Murphy)**

*In addition to the name of SAF-T-NET* for the SAF Newsletter, two other were submitted for consideration, they were: *The Source*; and, *SAF Source*. This item was carried over until the next meeting.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received this week.

AQC Minutes 01/11/99

**AQC Members Present were:** Parker, Foshee, Gamble, Harmon, McGregor, Murphy, Pate, and Walker.

The January 4, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.01 Mission Alignment (Parker)**

**98.02 Revisit TQM progress (Parker)**

**98.05 Management Succession Plan (Parker)**

**98.80 Centralized Supply Room (Foshee)**

**99.03 Computer Progress (Gamble)**

The current *Defect Tracking System Action Plan* for the new Computer System was distributed by Ross Gamble. He discussed this Plan and various issues concerning the new Computer System with the AQC.

**99.04 Legislative Update (Pate)**

Jerry Pate briefed the AQC on the SAF Privatization Ad Hoc Committee meeting that he, Pete and Ross attended last Wednesday. He said that the SAF's new Management Information System was discussed by the Ad Hoc Committee. Several Workers Compensation Insurance Carrier Representatives spoke before this Committee concerning Workers Compensation Insurance for public entities and general WC issues facing the State of South Carolina. Ross addressed SAF premium rates and how they are determined with the Ad Hoc Committee.

**98.81 Agency Web Page (Foshee)**

David Foshee reported that James Matthews is working on the State Accident Fund's Web Page. He is working with a software package called Microsoft Front Page to develop the Agency's Web Page. David will keep the AQC updated on the progress of this project.

**98.85 Employee Satisfaction Survey (Murphy)**

The AQC approved this item.

**99.06 Annual Surveys (Murphy)**

Gerald Murphy reviewed with the AQC the various aspects of the annual Internal and External Surveys used by the State Accident Fund. The AQC gave final **approval** to sending the existing *External Survey* to SAF Policyholder WC and Premium Contacts and mailing the newly developed *External Survey* and CEO letter directly to each Agency Head. **Approval** was also given by the AQC not to sign the *Internal Surveys* and a change in the wording of the *Internal Survey* administrative instructions from "are asked to complete surveys" to "are provided an opportunity to complete surveys".

**99.07 Newsletter Name (Murphy)**

*SAF Source* was the new name **approved** by the AQC for the SAF Newsletter.

**99.08 Monthly Staff Meeting (AQC)**

The AQC set the agenda for the General Staff Meeting on January 13, 1999.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received this week.

AQC Minutes 01/18/99

**AQC Members Present were:** Adkins, Foshee, Howard, McGregor, Murphy, Pate, and Walker.

The January 11, 1999. AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.01 Mission Alignment (Parker)**

**98.02 Revisit TQM progress (Parker)**

**99.03 Computer Progress (Gamble)**

**98.05 Management Succession Plan (Parker)**

**98.81 Agency Web Page (Foshee)**

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

**99.04 Legislative Update (Pate)**

Jerry Pate said that the Fund will be meeting with and making presentations to the SAF Privatization Ad Hoc Committee on Wednesday of this week. He stated that the presentations to the Ad Hoc Committee will include: Actuary Scott Vandermyde discussing how he computes the SAF's reserve requirement and premium rates; and, CPA Cliff Bodiford explaining the SAF's cash flow process. Jerry also reported that the new Budget process begins next week with the House Ways and Means Subcommittees. Gerald Murphy will do a briefing on the Fund's Accountability Report at our first Ways and Means Subcommittee meeting scheduled for next week.

**99.10 60 Day Performance Review (Howard)**

Janice Howard discussed with the AQC the frequency of the 60 Day Performance Review and its impact on supervisors and their staff members annual EPMS. This item was discussed among the AQC and carried over until the next meeting.

**Staff Staff Suggestions:**

One Staff Staff Suggestion was received by the AQC. It was regarding the appropriate use of the Agency's locator program and employees logging-on other staff members as present when they are not.

AQC Minutes 01/25/99

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The January 18, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**98.05 Management Succession Plan (Parker)**

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

**99.10 60 Day Performance Review (Howard)**

**99.01 Mission Alignment (Parker)**

Last week Pete Parker held meetings to develop Balanced Scorecards with Managers Janice Harmon, Gerald Murphy, Rose Mary McGregor and Gwen Adkins. He will continue these manager meetings with Shawn Holman and David Foshee this week as scheduling permits.

**99.03 Computer Progress (Gamble)**

The new computer system Project Status Report (as of 1/19/99) and the Defect Tracking System Action Plan was distributed and discussed by Ross Gamble. Shawn Holman remarked that the solutions to the Policyholders System deficiencies are continuing to be resolved by the contractor.

**99.04 Legislative Update (Pate)**

Jerry Pate reported that Gerald Murphy will brief the SAF's House Ways and Means Budget Subcommittee on the Agency's Accountability Report on Tuesday of this week. Janice Harmon will also present the SAF Fiscal Year Budget to the Subcommittee. Jerry also noted that the SAF Privatization Ad Hoc Committee has finished taking testimony and will be completing their report in the next few weeks to present to the Ways and Means Committee.

**99.11 LMT Charter Changes (AQC)**

The proposed LMT Charter changes were reviewed and discussed by the AQC. The AQC agreed that it was the LMT's responsibility to set up their own processes for procedural and housekeeping matters. The AQC approved the LMT Membership as follows: All Team Attorneys; All Claims Adjusters and Claims Supervisors; Karen Davis-Greene; Janis Howard; Donna Spires; and, Walter Caudle as Facilitator.

**99.12 Telephone Number Change (Foshee)**

The Agency's telephone system is going to be moved to one of the main State telephone switches during February 1999 which will add new features like caller ID and a new voice mail system. This change will also bring a change in telephone numbers, but will not be effective until February 2000. So, the Agency will have about a year to publicize the telephone number changes, print new stationary, business cards, etc.

**99.13 Agency Entrance Doors (Walker)**

There have been several suggestions, complaints and criticism regarding the difficulty of opening the Agency's entrance doors using current punch pad door locks which in most cases requires the use of both hands. Dick Walker has looked into other options for the entrance doors and has recommended replacing the current mechanical punch pad door locks with an electronic actuated punch pad. This would only require punching in the code and the door would be electrically released and could be pulled open using only one hand. The AQC approved up to \$5000.00 for this project.

**Staff Staff Suggestions:**

This week no Staff Staff Suggestions were received.

AQC Minutes 02/01/99

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The January 25, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**99.17 General Staff Meeting (AQC)**

**99.11 LMT Charter Changes (AQC)**

**99.01 Mission Alignment (Parker)**

Pete Parker stated that he met with Ross Gamble last week and finalized a working draft of the Operations Division's Balanced Scorecard (BSC). He and Ross also met with Shawn Holman and David Foshee to explore a development process for their Units' Balanced Scorecards. He will schedule Jerry Pate this week to discuss his BSC which will complete this series of BSC meetings with AQC managers.

**99.03 Computer Progress (Gamble)**

Ross Gamble distributed and discussed the new computer system Defect Tracking System Action Plan with the AQC. He reported that User Acceptance Testing (UAT) is scheduled to begin on Monday, February 8, 1999.

**99.04 Legislative Update (Pate)**

Jerry Pate updated the AQC on the Agency's Budget proceedings with the House Ways and Means and Senate Finance Committee's. He reported the Senate will be taking up Bill S136 which deals with the SAF Trust Fund and prohibition of Fund transfers. Jerry also stated that the SAF Privatization Ad Hoc Committee is receiving insurance rate comparison information from a couple of private carriers for inclusion in their Report for the Ways and Means Committee.

**98.05 Management Mentoring Plan (Parker)**

Pete said that Gwen Adkins has developed a discussion draft of a Mentoring Plan and the Executive Team needs to meet to finalize something to present to the AQC.

**99.10 60 Day Performance Review (Howard)**

This item was discussed and deferred for inclusion in the Agenda for the February 1999 General Staff Meeting.

**99.14 Y2K Contingency Plan (Foshee)**

David Foshee recommended to the AQC that the Agency institute a Y2K Contingency Plan. The AQC agreed and asked David to set up a Brainstorming Session to develop this matter.

**99.15 New Copier in Suite 150 (Foshee)**

David brought up with the AQC the feasibility of moving one of the three copiers from Suite 160 to replace the existing copier in Suite 150. This was examined by the AQC, but felt there was not enough information for a decision. The AQC requested Janis Howard and David Foshee to research this item and report their findings to the AQC next week.

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

Janis Howard gave the Claims Unit's 2<sup>nd</sup> Quarter Report.

**99.12 Telephone Number Change (Foshee)**

David Foshee told the AQC that effective February 22, 1999, the Agency will be changed over to a new OIR Telephone System. In February 2000 all the State Accident Fund telephone numbers will change, so David suggested not printing a great amount of material with current phone numbers on it. He advised the AQC to start thinking and planning how to publicize these changes for next year. He reported that the Agency will be getting a block of new telephone numbers to use from OIR and will keep the staff informed as this endeavor progresses.

**99.18 Employee Satisfaction Survey (Murphy)**

AQC Minutes 02/08/99

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The February 1, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**99.17 General Staff Meeting (AQC)**

**98.05 Management Mentoring Plan (Parker)**

**99.20 LMT Charter Changes (AQC)**

The AQC reviewed the various issues that were submitted by the LMT. It was determined by the AQC that the LMT needs to reconsider these issues to reach a consensus or exhaust all remedies within LMT and then resubmit specific recommendations to the AQC, either a consensus or at least a statement of opposing views and arguments, for review and/or decisions.

**99.01 Mission Alignment (Parker)**

The MIS and PHS Teams met with Pete Parker last week to brainstorm ideas to potentially develop into individual Balanced Scorecard with measurable objectives. Also observing the PHS Team brainstorming session was Janis Howard, Rose Mary McGregor and Jerry Pate. They all reported that they learned a great deal and enhanced their knowledge by attending the meeting. Additionally, high marks were earned by Pete Parker for his excellent meeting facilitation skills and Introduction to the Balanced Scorecard(BSC) concept.

**99.03 Computer Progress (Gamble)**

The latest computer system Defect Tracking System Action Plan was distributed and discussed by Ross Gamble with the AQC. David Foshee stated that User Acceptance Testing (UAT) is beginning today and will hopefully be completed by the end of the month. He said the group is testing about 30 Claims that will be processed through all phases of the system.

**99.04 Legislative Update (Pate)**

Jerry Pate reported that: the Senate Bill S136 will be taken up this week by the Judiciary Committee; he met with two Senators on the SAF's Budget Committee last week; he has not been notified yet when the Privatization Ad Hoc Committee will give SAF a copy of their draft report; and, the House Ways and Means Committee could possibly take up the Fund's Budget request this week.

**99.14 Y2K Contingency Plan (Foshee)**

David Foshee said that he will be setting up a Brainstorming Session in the near future to complete this plan.

**99.15 New Copier in Suite 150 (Foshee)**

David Foshee distributed a Report containing the average number of copies used each month in each SAF Suite. This item was discussed by the AQC. Noted was the fact that the Suite 150 copier is unreliable and that the nurses have been moved from 160 to 150. For those reasons David recommended that one of the three copiers from Suite 160 be moved to Suite 150 and the existing copier in Suite 150 be returned to the vendor. This was **approved** by the AQC. Gerald Murphy will inform the various Workflow Teams of this change at their regular Team Meetings this week, and determine if the Teams know any reason this should not be done.

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

Janis Harmon gave the Accounting Unit's 2<sup>nd</sup> Quarter Report which was followed by the Legal Unit's Report presented by Rose Mary McGregor.

**99.17 General Staff Meeting (AQC)**

The AQC deferred the February 1999 General Staff Meeting due to the UAT in the training room. Gerald Murphy will cover this month's critical issues at the Workflow Team meetings this week.

**99.19 Important Tasks That Are Not Covered-How To? (Parker)**

The AQC started discussing Pete Parker's email message containing a written list of "Things That Need To Be Done" within the Agency. David Foshee suggested the additional task of running computerized batch programs at night so the information can be used by the staff the next day. This item was added to the task list. The AQC decided to continue discussion and further development of this item at the next meeting.

**Staff Staff Suggestions:**

This week there were no Staff Staff Suggestions received.

AQC Minutes 02/22/99

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The February 8, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**99.15 New Copier in Suite 150 (Murphy)**

**99.10 60 Day Performance Reviews (Murphy)**

**98.05 Management Mentoring Plan (Parker)**

**99.01 Mission Alignment (Parker)**

Pete Parker reported that he will continue meeting this week with the Legal and PHS Teams to develop the Balanced Scorecard (BSC) concept. He and Janis Howard are still working on ideas to introduce the Balanced Scorecards system to the Claims Unit. They are looking for a practical way to break down Claims into smaller Teams to develop the BCS.

**99.03 Computer Progress (Gamble)**

Ross Gamble distributed and elaborated on the latest computer system Status Report and Defect Tracking System Action Plan with the AQC. He and David Foshee stated User Acceptance Testing (UAT) is continuing to progress.

**99.04 Legislative Update (Pate)**

Jerry Pate briefed the AQC on the following: that the House Ways and Means Committee will not be transferring any money out of the SAF Trust Fund in next year's Budget; that the Senate Finance Committee is not anticipated to recommend any Trust Fund transfers in next year's Budget and should begin Budget hearings in the next few weeks; the Senate has passed S136 and sent it to the House which has referred it to the Labor, Commerce and Industry Committee for recommendations; and, the SAF Privatization Ad Hoc Committee has not given any indications when their Report will be ready.

**99.14 Y2K Contingency Plan (Foshee)**

David Foshee has tentatively scheduled a Brainstorming Session with interested parties on Tuesday, March 2, 1999, from 10:00-12:00 to gather ideas for this project.

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

Gwen Adkins and David Foshee gave 2<sup>nd</sup> Quarter Reports for the Human Resource and MIS Units.

**99.05 Management Mentoring Plan (Parker)**

Pete Parker discussed various aspects of the Mentoring Plan which Gwen Adkins had distributed to AQC members the previous week with the suggestion that AQC input was needed and it would be good to have a brainstorming session. The AQC discussed a number of issues arising from open discussion and concluded a Brainstorming Session would be necessary to determine characteristics and related items needed to get the Mentoring Program started. The session was scheduled for 2:00 PM on Tuesday, February 23, 1999.

**99.19 Important Tasks That Are Not Covered-How To? (Parker)**

Pete Parker led a discussion with the AQC covering the various skills needed by the Agency. This included reviewing the training, problem solving skills and practices and facilitation of the three workflow teams. Janis

Howard and Gerald Murphy added that an outside facilitator would improve the consistency of the workflow process teams. Janis recommended that the three workflow teams and a contract facilitator work to resolve the on-going problem of "No Report Mail." The AQC approved the project. The planning and implementation for this Project was projected for late April 1999. Additionally, David Foshee and Dick Walker will look into various options of office space to see if some meeting room space can be freed up.

**99.21 Third Party (TPY) Claims (McGregor)**

This issue of Third Party Claims (TPY) was brought to the AQC by Rose Mary McGregor on behalf of the Workflow Process Teams. She related their concerns with TPY recoveries. Rosemary was instructed to ask the workflow teams to analyze TPY claim loads and processes to find what in fact is the cause of the significant drop in TPY recoveries, then develop a plan to alleviate them. Meanwhile Pete and Janis will review the DTR claim load data to determine if and to what extent there are adjusters whose TPY caseload is causing undue stress, if so try to find a way to alleviate the matter until cases can be redistributed according to plans.

**99.22 Use of Locator (Gamble)**

Ross Gamble expressed concern that not all the SAF Staff was utilizing the locator program and it was hard to find the whereabouts of individuals. Pete Parker stated that is the personal responsibility of the entire SAF Staff to use the locator program to inform others of their status. He strongly added that Managers and Supervisors need to insure that everyone is trained and using the locator program at all times and failure to use it properly is a serious performance deficiency.

**99.23 Contract Facilitator (Howard)**

See Agenda Item 99.19 for disposition of this matter.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were submitted this week.

AQC Minutes 03/01/99

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Pate, and Walker.

The February 22, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.15 New Copier in Suite 150 (Murphy)**

**99.10 60 Day Performance Reviews (Murphy)**

**99.01 Mission Alignment (Parker)**

Pete Parker said that brainstorming sessions were held this week with Legal and PHS Teams. PHS brainstorming produced seemingly workable objectives in two of the four focus quadrants. Are meeting once a week on Fridays, until completed.

**98.02 Revisit TQM progress (Parker)**

Pete Parker reported that he will be meeting with the workflow process teams as the Quality Advisor to work on Third Party Recoveries on Tuesday of this week. He also shared a Report format he had developed to determine Claim Load Distribution based on weighed data to ascertain the average weekly hours an adjuster should work to adequately manage the assigned caseloads. This is experimental and not to be viewed as a determination that anyone is either overloaded or under-loaded; only that on the criteria measured it appears that some adjusters have heavier caseloads than others. He will share this Report with the workflow teams and show them how to use it. It can be used as a tool to analyze claim loads and determine problems to relocate resources where needed as they are empowered to do.

**99.03 Computer Progress (Gamble)**

The latest computer system Defect Tracking System Action Plan was distributed and discussed by Ross Gamble with the AQC. He said User Acceptance Testing (UAT) is still making progress. Shawn Holman reported that the Policyholders System is continuing to improve and it is calculating most premiums correctly.

**99.04 Legislative Update (Pate)**

The AQC was briefed on the following legislative matters by Jerry Pate: the Senate Finance SAF Sub-Committee begin Budget discussions on Thursday of this week; and, Senate Bill S136 was sent to the House of Representatives which referred it to the Business and Commerce Subcommittee of the Labor, Commerce and Industry Committee.

**99.14 Y2K Contingency Plan (Foshee)**

David Foshee reminded attendees about the scheduled a Brainstorming Session on Tuesday, March 2, 1999, from 10:00-12:00 to bring their unit's copy of the Business Recovery Plan to use in this project.

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

The Policyholder Services 2<sup>nd</sup> Quarter Report was presented by Shawn Holman.

**99.05 Management Mentoring Plan (Parker)**

Pete Parker discussed the AQC brainstorming process used to formulate the traits, skills and education that would be most helpful in helping a future CEO to succeed in that job. The AQC agreed the process worked very well. The next brainstorming session is scheduled for Tuesday, March 9, 1999, at 2:00 PM in Pete Parker's Office. The Chief Administrative Officer will be the topic of that brainstorming session.

**99.24 Telephone Number Changes (Foshee)**

David Foshee reported that OIR has informed him that all the SAF's telephone numbers will be changed on or about April 16, 1999. He said that unit managers, adjusters, claim technicians and others as needed will be set up on *transfer boxes* which allows the caller dialing the old number to be transferred directly to the new number. The remainder of the Agency telephones will be set up on *intercept boxes* which tells the caller the new telephone number of the individual then hangs up. All the Agency FAX Machines would forward automatically to the new number. The AQC discussed possibly moving the new telephone number change over date to March

22, 1999. David Foshee will check on it and report back to the AQC. The AQC decided to publicize the new telephone numbers by updating a letter listing all SAF contacts and mailing it to each WC Rep, using the SAF Newsletter and giving out your new phone number when talking with people who will need it in the future. SAF stationary, business cards and other material will be updated as needed with the new telephone numbers.

**99.25 Internal WC Program (Howard)**

Janis Howard explained to the AQC that the SAF needs to develop a program to handle internal worker's compensation injuries for SAF Staff Members. After some discussion by the AQC, they agreed and formed a sub-committee to draft a proposal for this item. The Sub-Committee will be made up of Janis Howard, Gwen Adkins and Michelle Berry. This group will report to the AQC as it develops the program.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received by the AQC this week.

**AQC Members Present were:** Parker, Adkins, Gamble, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The March 1, 1999, AQC Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.14 Y2K Contingency Plan (Foshee)**

**99.24 Telephone Number Changes (Foshee)**

**98.02 Revisit TQM progress (Parker)**

**99.10 60 Day Performance Reviews (Murphy)**

Gerald Murphy briefed the AQC on his meetings with the three workflow process teams concerning the frequency of the 60 Day Performance Reviews. He recommended that the SAF Staff Performance Reviews be completed once each calendar quarter except in the calendar quarter the annual EPMS is done. The AQC **approved** this item.

**99.15 New Copier in Suite 150 (Murphy)**

The AQC received a report by Gerald Murphy concerning his meetings with the three workflow teams and their views on options for the Agency's copiers. The AQC discussed this matter in detail and **approved** exchanging the copier in Suite 150 with one in the Suite 160 print room.

**99.01 Mission Alignment (Parker)**

Pete Parker said that he will continue the brainstorming sessions with the Legal Team this week. Also, that Policyholder Services will be meeting on Friday to continue their brainstorming.

**99.03 Computer Progress (Gamble)**

Ross Gamble distributed the this week's Defect Tracking System Action Plan to the AQC. The status of User Acceptance Testing (UAT) was discussed among the AQC. Pete and Ross reminded all managers to be sure to document any problems with the new computer system and submit them to IBM/IEI for inclusion on the Defect Tracking System Action Plan so the problems could be resolved.

**99.04 Legislative Update (Pate)**

Jerry Pate stated that the full House of Representatives will take up the State's Budget the week of March 15, 1999. He said the SAF Budget was presented to the Senate Finance SAF Sub-Committee last week. Concluding, Jerry said that Senate Bill S136 remains in the Business and Commerce Subcommittee of the House's Labor, Commerce and Industry Committee awaiting recommendations.

**99.09 2<sup>nd</sup> Quarter Unit Reports (AQC)**

Gerald Murphy briefed the AQC on Training's 2<sup>nd</sup> Quarter activities.

**99.05 Management Mentoring Plan (Parker)**

Pete Parker reminded the AQC that next brainstorming session is scheduled on Tuesday, March 9, 1999, at 2:00 PM for the Chief Administrative Officer's position.

**99.25 Internal WC Program (Howard)**

Janis Howard stated that the Sub-Committee will be meeting this Wednesday to begin developing a proposal for this program.

**99.26 Trigger Report Review (AQC)**

The AQC reviewed the latest Monthly Trigger Report. Pete Parker stated that the Trigger Report is an excellent management tool for spotting significant variances from the norm and focusing attention on reasons therefor. The AQC will continue to review the Trigger Report each month but will add a quarterly review of YTD variances of more than 10%. Managers will furnish written explanations of such variances with their quarterly reports.

**Staff Staff Suggestions:**

There were no Staff Staff Suggestions submitted this week.

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Howard, McGregor, Murphy, Pate, and Walker.

The March 8, 1999, AQC Minutes were approved.

**99.01 Mission Alignment (Parker)**

Pete Parker is still conducting brainstorming sessions with the Legal and Policyholder Teams. He, also, plans with the help of Janis Howard to start brainstorming with the Claims Team on Friday.

**99.02 Revisit TQM Progress (Parker)**

Acting as the Facilitator/Quality Advisor with the three workflow process teams, Pete Parker gave the AQC a status report on brainstorming with the teams regarding reasons for the reductions in Third Party Recoveries.

**99.03 Computer Progress (Gamble)**

The week's Defect Tracking System Action Plan was distributed and discussed by Ross Gamble with the AQC. The current status User Acceptance Testing was updated for the AQC by David Foshee.

**99.04 Legislative Update (Pate)**

Jerry Pate presented the current legislative information to the AQC. He stated the House is taking up the Budget this week and he will be there watching the SAF's items. Jerry reported that Senate Bill S136 has not been placed on the Business and Commerce Subcommittee's agenda to date. He discussed House Bill H3435 which amends the SC Code of Laws to include heart disease as a work-related illness for law enforcement. The AQC discussed the last item and will be working on "who is defined as law enforcement" and to refine the wording in the Bill for presentation to legislators to make it clearer and more specific.

**99.05 Management Mentoring Plan (Parker)**

Pete Parker stated that the group completed the Chief Administrative Officer's characteristics last week. The AQC scheduled the Chief Operating Officer's brainstorming session on Tuesday, March 16, 1999, at 2:00 PM.

**99.14 Y2K Contingency Plan (Foshee)**

The Y2K group has made a great deal of progress on the contingency plan David Foshee told the AQC. They will be meeting again in the near future. Meanwhile, David said he would update the last information and send that document to the AQC.

**99.24 Telephone Number Changes (Foshee)**

A spreadsheet with the new telephone numbers was handed-out to the AQC by David Foshee. He said the official change over date for the new SAF telephone numbers will be April 16, 1999. The AQC discussed various items effected by this change. The placing of the Agency FAX along with the mailboxes in Suite 240 was tentatively **approved** by the AQC pending Janice Harmon working out the details with her Team. This was done to centralize processing for Agency Faxes, Mail, scanning/indexing documents and placing related materials in the Records Management Team's location.

**99.25 Internal WC Program (Howard)**

Janis Howard reported that the Sub-Committee (Janis, Gwen Adkins & Michelle Berry) met this past week. Gwen Adkins will be the SAF's point-of-contact for internal WC injuries. The Sub-Committee is studying the last three years SAF claim history to see if it is feasible to implement an internal WC deductible. Also, they are looking into the potential of using a designated physician. Janis will continue to report the progress of this program to the AQC.

**99.27 Purchase Display (Pate)**

A request to purchase a table top SAF display unit was submitted by Jerry Pate. The display unit would be used in conjunction with trade shows, seminars and a variety of other types of meetings. The AQC **approved** up to \$1000.00 from the Agency's Budget for this item.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received this week.

**AQC Members Present were:** Parker, Gamble, Foshee, McGregor, Murphy, Pate, and Walker.

The March 15, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**99.25 Internal WC Program (Howard)**

**99.28 Review Trigger Variances (AQC)**

**99.01 Mission Alignment (Parker)**

Pete Parker stated that he met with a small group from the Claims Unit last Friday. The brainstorming session with the Claims group went very well and was similar in format and size to the groups from Legal, MIS and Policyholder Services.

**99.03 Computer Progress (Gamble)**

Ross Gamble updated the AQC on the over all status of the new computer system. Additionally, David Foshee reported on the current situation concerning network operations and User Acceptance Testing.

**99.04 Legislative Update (Pate)**

The latest legislative facts were presented to the AQC by Jerry Pate. He said the House of Representatives passed the Budget in the early morning hours last week. Jerry updated the AQC on House Bill H3435 concerning work related occupational disease and law enforcement. Also, he reported that the SAF Privatization Ad Hoc Committee's Report should be issued within the next four weeks.

**99.05 Management Mentoring Plan (Parker)**

Pete Parker said the brainstorming session last week was not held and had to be carried over. The session to complete the Chief Operating Officer job characteristics was rescheduled for Tuesday, March 23, 1999, at 2:00 PM.

**99.14 Y2K Contingency Plan (Foshee)**

David Foshee said he needed to update the last information from the last Y2K Brainstorming session and email it to the AQC. He believes that one more meeting is needed to finalize the project which will be scheduled sometime next week.

**99.29 Third Party (TPY) Project Team (Parker)**

Pete Parker distributed and discussed with the AQC a Relational Diagram for the causes Third Party program effectiveness decrease. He said the Diagram had been developed from information received in the brainstorming sessions with the three workflow teams. Pete felt that enough information had been refined to launch a Project Team. The AQC approved it. The Team membership will be made up of Rochelle Clarke, Julie Whittington, Kathy Green, Del Driggers, Ray Ambrose, Bob McCulloch, Janis Howard and Audra Higbe. Walter Caudle will be the Team Facilitator and Pete Parker the Quality Advisor. Pete will also do the Charter for the Project Team which he will email to the AQC for comment.

**99.30 External Customer Survey & Pay For Performance Policy (Murphy)**

Gerald Murphy asked the AQC to review the External Survey results he emailed to the AQC last week and work on ideas on "How to define Quality Improvement" for the Agency. This item was carried over for discussion at the next meeting.

**Staff Staff Suggestions:**

There were not any Staff Staff Suggestions submitted this week.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate, and Walker.

The March 22, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**98.02 Revisit TQM progress (Parker)**

**99.25 Internal WC Program (Howard)**

**99.01 Mission Alignment (Parker)**

Pete Parker reported that he is continuing to meet and brainstorm with the Claims Unit's first group. The group continues to make good progress in developing their initial objectives. Also, Pete added that Kay Heinen attended the meeting as an observer. Kay, Pete reported, will be doing some special work with the work flow teams to guide them in problem solving technique and possibly some of the "BSC" planning work.

**99.03 Computer Progress (Gamble)**

The AQC was updated by Ross Gamble on the new computer system and current status of the User Acceptance Testing. He further briefed the AQC on the plans to bring the Policyholder Systems on line.

**99.04 Legislative Update (Pate)**

In his Legislative Update, Jerry Pate said the House of Representative's Budget will be published and distributed this week and the Senate will be starting from scratch this week to develop their own version of the State Budget.

**99.05 Management Mentoring Plan (Parker)**

The Chief Operating Officer's job characteristics session is scheduled for Tuesday, March 30, 1999, at 2:00 PM for the AQC.

**99.28 Review Trigger Variances (AQC)**

The AQC reviewed variances of specific data on the February 1999 Trigger Report. Janis Howard explained that "stop pay" variance is explained by a change in law and resulting procedures (Form 15 now used in lieu of Form 21 in many cases). Reports for the Legal Unit's data concerning Hearings Held, Appeals Filed by SAF and Onsite Investigations were given by Rose Mary McGregor. She reported that she could not find any reason for the variance in "appeals filed" as there were only five (5) more appeals filed than in the previous year. Also, Rose Mary said she found no dramatic change in the type of appeals filed by the SAF. "Hearings held" variance is explained by dropping "clincher conferences" from report as a "hearing". Shawn Holman explained the variance in "audits" as a change in what was counted as an "audit." Future data will not include "re work". Pete Parker suggested that we need to review and update the Trigger Report; what goes into it and update it to take advantage of our new technology. The role of the Trigger report is solely to *trigger* attention to unexplained variation in numbers, month to month and year to year - not an accounting document nor an accountability report. The most important thing is consistency in what is reported. Managers should take care to see that Unit data being reported under the various headings remains consistent over time.

**99.29 Third Party (TPY) Project Team (Parker)**

Pete Parker reported that TPY Project Team held a chartering meeting last week. The Team elected Ray Ambrose the Team Leader and will hold their first meeting this Thursday, April 1, 1999.

**99.30 External Customer Survey & Pay For Performance Policy (Murphy)**

Gerald Murphy announced that the State Accident Fund Staff did an "Outstanding" job this past year. We defined "improvement" for this year as a favorable customer response ratio greater than 96.2. The 1999 External Customer Survey score was 99.20% positive responses. The average score was 2.42. AQC agreed that that information should be made known to the staff with a "celebration" at the next staff meeting - April 7<sup>th</sup>.

AQC also noted that the "positive comment ratio" we have been using to measure and define "improvement" is so close to 100% now that further "improvement" might tend to appear unattainable or less meaningful. We should consider converting the survey data to a score on the scale of 0 to 100, with which we are all more familiar, and on which we can more readily perceive our "grade" and degree of improvement. We can do this by converting the average score to a 100 point scale. For the latest four years the converted score would be as follows:

Year	1996	1997	1998	1999
Average Score	2.20	2.28	2.27	2.42
Converted Score	73.3	76.0	75.7	80.7

AQC Adopted the change - conversion of the Agency's Score on the annual External Customer Survey to a Scale between 0 and 100. Accordingly, "improvement" for next year will be a score of 80.8 or greater.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received this week.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Howard, McGregor, Murphy, Pate, and Walker.

The March 29, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.01 Mission Alignment (Parker)**

Pete Parker said that this week's meeting with the Policyholder Service's Unit was very productive and they came up with their initial objectives. He distributed the Policyholder Service's Balanced Scorecard's to the AQC for review. Also, Pete reported that they are getting a number of ideas and making good progress with the Claims Unit's small group.

**98.02 Revisit TQM progress (Parker)**

The Third Party (TPY) Project Team held their first meeting this week and had great participation from the team members. They plan to set their Team goals at next week's meeting. Kay Heinen attended this meeting again as an observer to familiarize herself with the Team's processes.

**99.03 Computer Progress (Gamble)**

Ross Gamble noted that IEL/IBM had several additional personnel working on the new computer system last week. David Foshee briefed the AQC on the new Email computer server that the MIS Team is installing next weekend. He also described the installation of an additional computer server that will assist the MIS Team with off-line testing and debugging of computer programs before they are loaded on the main computer servers for the SAF Staff's utilization.

**99.04 Legislative Update (Pate)**

Jerry Pate updated the AQC in this week's Legislative matters. He said the Senate will be starting on their version of the Budget this week and updated the AQC on the Senate elections that occurred last week. Jerry said the final report by the Ad Hoc Study Committee for Privatization of the SAF should be published in the next few weeks.

**99.05 Management Mentoring Plan (Parker)**

The Chief Executive Officer, Chief Administration Officer and Chief Operating Officer Job

Descriptions were reviewed, standardized and **approved** by the AQC to use with the Management Mentoring Program as it is developed. The issue of the attending the Executive Institute was dispensed with by the AQC. Applicant's desiring to attend the Executive Institute shall apply through their immediate supervisor and that recommendation shall be forwarded to the Executive Team for final determination.

**99.29 Third Party (TPY) Project Team (Parker)**

See **99.02 Revisit TQM Progress** for information pertaining to this item.

**99.31 General Staff Meeting (AQC)**

The AQC developed the Agenda for the General Staff Meeting to be held in Suite 150 at 3:00 PM on April 7, 1999.

**99.32 EPMS (Adkins)**

The Draft Employee Performance Management System (EPMS) Criteria and revised SAF Employee Performance Management System Policy was distributed to the AQC by Gwen Adkins. She asked the AQC to review the documents for any recommendations and adoption at next week's AQC meeting.

**99.34 Pay for Performance Increases (Harmon)**

The AQC discussed the various issues concerning the SAF's Pay for Performance Policy, initial Survey results and budgeting potential pay increases. The AQC tentatively decided to have Janice Harmon review the Agency's budget to see if funding was available for 3% raise for superior performance and 2% raises for meets performance. She will update the AQC at their next meeting on her findings.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were received this week.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, and McGregor.

The April 12, 1999, AQC Minutes were approved with amendments.

**Agenda Items carried over or having no report were:**

**99.01 Mission Alignment (Parker)**

**98.02 Revisit TQM progress (Parker)**

**99.05 Management Mentoring Plan (Parker)**

**Executive Team Job Specifications**

**99.25 Internal WC Program (Howard)**

**99.39 Unit Budget Request (Adkins)**

**99.03 Computer Progress (Gamble)**

Ross Gamble reported to the AQC that Policyholders System (PHS) will go up next Monday. The Claims Management System (CMS) goes live May 18<sup>th</sup>. Janis Howard voiced a concern she had about having a plan to prepare people for when CMS comes on line. David stated that Monday, May 17<sup>th</sup> will be used for testing and everyone would have had training with Gerald. A suggestion was made that all Units should think about the "what ifs" and have a plan on how to operate without computers. Janis Howard suggested that all Units work together in that what one does may effect the other. This was agreed upon by the AQC.

**99.04 Legislative Update (Pate)**

Pete Parker stated that Jerry has thoroughly done his work and we are doing well but not home free yet. It is possible that during Conference Committee discussions efforts may be made to transfer monies out of the trust fund for other purposes. The Comptroller General has written a letter to the Governor regarding why the money should remain in the Trust Fund. Pete and Jerry will be meeting with Chairman Brown, House Ways and Means, on Tuesday. Pete also stated that he plans to put in this years Annual Report the problem of "raiding the Fund for \$4.2 Million last year and possibly \$2 Million more this year and it will also serve as both information and documentation for future reference.

**99.29 Third Party (TPY) Project Team (Parker)**

Pete Parker advised the AQC that TPY Team is still meeting and being productive.

**99.34 Pay for Performance Increases (Harmon)**

Janice Harmon stated she was still waiting on data from others in order to determine the Pay for Performance amount. Janis Howard gave her the data regarding the number of permanent employees and number of temporary employees she needed and David stated he would like to hold one position for MIS if it was needed down the road. Janice will bring back the final data next week for AQC approval.

Pete passed out an EPMS memo and scoring analysis and stated that if we had any lingering fears about this system and the fairness to please let him know.

**99.35 FTE's Temporary/Permanent and Training (AQC)**

This was more or less rolled up into 99.34. It was stated again that AQC had approved at last weeks AQC the filling of three permanent positions for File Retention (Records Management). AQC also discussed Gerald's concern about training temps that would be gone after awhile. The discussion was that we would definitely need to keep temps in place and would probably need them for some time to come. It was decided that temps would be trained.

**99.37 Bloodborne Pathogen Policy (McGregor)**

Rose Mary McGregor reported that she was unable to determine why the chemo-therapy question was on the Questionnaire list attached to the Bloodborne Pathogen Policy but it appeared it had been there all along. Pete stated that he still had reservations about the Questionnaire and Ross suggested we probably needed medical expertise input to resolve the specific questions. Pete said he would feel more comfortable if the Questionnaire was taken back to the Team and all questions taken out that were not necessary or pertinent and then brought back for AQC review and approval. The Bloodborne Pathogen Policy itself was approved today by the AQC.

**99.38 McDonald Consultant (Parker)**

Pete Parker asked the Unit Managers how their interview had gone with Ron McDonald. Pete advised that he, Ross and Gwen had been debriefed by Ron when the interviews were completed and that the Executive Team would meet on Tuesday to discuss our own concerns, etc. Everyone responded regarding their concerns which ranged from feeling the questions were too broad, more suggestive

and leading than normal, him suggesting various changes, terminology used, what was a State Agency allowed to do, how does each unit add value to the Agency and how to measure it, etc.

Pete stated he picked up on about four areas the company might assist us or that we might assist ourselves: 1) Process review for efficiency; 2) Organizational structural changes; 3) Measures and standards; and, 4) Gain sharing plan for bonuses. Everyone agreed that Ron brought up valid issues but was this something a State Agency can do and what's the price tag.

**99.40 Strategic Planning Session (Parker)**

It was decided that AQC would plan a couple of days of in-house closed door, no interruptions, sessions some time in June to look at the whole alignment plan to make sure it's consistent, that the defined objectives are obtainable and that appropriate measurements are in place. Each Unit's final plans are due at the end of May.

**99.41 WC Booth (Holman)**

Shawn Holman advised the AQC that some of our staff are asked to speak at seminars that our customers are doing for their own employees and we're happy to do this. However, the Safety Committee is often asked to furnish Safety "goodies" to hand out to the Policyholder's Employees when the SAF Staff visits these customers. AQC advised Shawn that this is not in our budget and we can not do this. Decided also: if we have a booth at a seminar we could only hand out educational materials; we are there to answer questions, etc.

**Staff Staff Suggestions:**

There were no suggestions.

**AQC Members Present were:** Adkins, Gamble, Foshee, Harmon, Howard, McGregor, Pate and Walker.

The April 19, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.01 Mission Alignment (Parker)**

**98.02 Revisit TQM progress (Parker)**

**99.05 Management Mentoring Plan (Parker)**

**Executive Team Job Specifications**

**99.29 Third Party (TPY) Project Team (Parker)**

**99.03 Computer Progress (Gamble)**

Ross Gamble briefed the AQC that start-up for the Policyholders System (PHS) will be this Wednesday and the Claims Management System (CMS) is scheduled for May 18<sup>th</sup>. He also stated that Gerald Murphy started the Training for the new computer system last week. David Foshee updated the AQC on the current status of the new computer system and suggested that we restart the Agency Computer Committee to meet at least weekly. He asked AQC to decide who from each area should be involved in this project.

**99.04 Legislative Update (Pate)**

Jerry Pate summarized the current legislative situation regarding the State Accident Fund. He reported that the Senate has passed their version of the State Budget which has been sent to the House of Representatives. Since the Senate and House have passed totally different versions of the Budget, it will probably have to be worked out by a Conference Committee which is made up of three members from each legislative body. Pete Parker and Jerry Pate have recently met with both Chairman of the Senate Finance Committee and House Ways and Means Committee to explain the SAF's operations and needs. The AQC was updated on Senate Bill 136 pertaining to Fund transfers and the Ad Hoc Study Committee for Privatization of the SAF's final Report.

**99.25 Internal WC Program (Howard)**

Janis Howard stated that the Program Committee met last week and are scheduled to meet again Tuesday. She said they have made substantial progress and have discussed many items such as: using a designated provider for SAF Claims; setting up a deductible plan for the SAF; and, developing a systematic plan to handle SAF internal Claims. They will submit their final Internal Workers Compensation Program for AQC approval when completed.

**99.34 Pay for Performance Increases (Harmon)**

Janice Harmon reported that there is enough money in this year's SAF Budget to fund a Pay for Performance raise. The AQC discussed this matter in detail. They tentatively **approved** a Pay for Performance based on the 1999 Survey results at the rate of 3% for Exceeds Performance and 2% for Meets Performance subject to Pete Parker's final review.

**99.39 Unit Budget Request (Adkins)**

Gwen Adkins discussed requesting and getting approval for additional funds for the Unit Budgets with the AQC. Janice Harmon reported that all the Unit Budgets were fine, but there will be some transferring of funds to different accounts within the their own Units by a couple of the Managers.

**98.81 Agency Web Page (Foshee)**

David Foshee briefed the AQC on the plans to build the Agency's Web Page. He said the Office Information Resources has given him a proposal to develop the Web Page and various other items related to this project. He suggested that a Project Team made up of at least one member of each Unit be set up to develop a list of items that would be on the SAF's Web Page.

The Project Team could start with the existing list of items for the Web Page developed earlier by the Unit Managers for MIS. The AQC agreed and David will head up the efforts to put the Project Team together and organize the development of the Agency's Web Page.

**Staff Staff Suggestions:**

One suggestion was received concerning SAF Staff smoking beside the Agency's entrance doors. The AQC discussed this matter and **approved** moving the ashtrays away from the SAF entrances to designated areas for smokers.

**AQC Members Present were:** Parker, Adkins, Gamble, Holman, Howard, McGregor, Pate and Walker.

The April 26, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.45 MIS Organization (Foshee)**

**99.29 Third Party (TPY) Project Team (Parker)**

Ray Ambrose reported on the TPY Teams Progress for the past few weeks to the AQC. He said they have developed a questionnaire to survey the SAF Claims Adjusters to get data to evaluate the current status of TPY operations. They plan to review the TPY Teams Charter, Mission and Objectives to ensure the Team is on target. Pete asked Ray to continue to give the AQC a report at least monthly on the TPY Team's progress.

**99.01 Mission Alignment (Parker)**

**98.02 Revisit TQM progress (Parker)**

Pete Parker reported that these two items are progressing satisfactorily and can be deleted from the AQC Agenda.

**99.03 Computer Progress (Gamble)**

Ross Gamble distributed the SAF Implementation Checklist for the new computer system to the AQC and discussed the project's current status and go live schedule. The AQC admonished those responsible for the list of "training" decisions on Gerald's Memorandum to expedite the requested decisions and advise Gerald ASAP.

**99.04 Legislative Update (Pate)**

Jerry Pate briefed the AQC on his meetings with several SC House of Representative Members last week concerning SAF issues. He said he still does not know the date when the Final Report will be published by the Ad Hoc Committee for SAF Privatization. Also, he reported that the Budget Conference Committee Members have not yet been named by either legislative body, but expects they will be appointed in the near future.

**99.05 Management Mentoring Plan (Parker)**

**Executive Team Job Specifications**

Pete Parker reviewed the process that the AQC used to develop the three job descriptions for the Executive Team positions. The AQC agreed to put this Plan on a temporary hold while the AQC reviews the entire SAF Organization along with the impact that the new computer system will have on the Fund's over all operations.

**99.25 Internal WC Program (Howard)**

Janis Howard reported that the Internal WC Program Committee (Janis, Gwen Adkins & Michelle Berry) met with a risk management vendor to discuss what would be involved in handling the SAF's Staff WC Claims. She said Committee is also looking into the possibility of using a designated physician for the Fund. Carla Johnson submitted the SAF's Accident and Loss Report for several years to the Committee which they have been analyzing to assist in determining the best course for the Fund's Internal WC Program.

**99.43 Third Quarter Reports (AQC)**

The Human Resources Management quarterly report was given by Gwen Adkins.

**99.44 Work Shops in Myrtle Beach (Howard)**

Janis Howard said the Legal and Claims AASCIF Committee Workshops will be held in Myrtle Beach in October 1999 and hosted by the Fund. This item was discussed by the AQC and was determined that as the host for AASCIF Workshops we should adequately support and staff this event.

**Staff Staff Suggestions:**

No SAF Staff Suggestions were received this week.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harman, Holman, Howard, McGregor, Pate and Walker.

The May 10, 1999, AQC Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.03 Computer Progress (Gamble)**

Ross Gamble reported to the AQC that this Thursday, May 20<sup>th</sup> at 5:00 PM MIS will start running the data conversion process for IDMS to move it to the new computer system to go live on May 25<sup>th</sup>. Janice Harmon will chair a group meeting today at 2:00 PM to plan and decide the start date for scanning mail and information into the new system. Janis Howard will contact current Policyholders with IDMS inquiry privileges and explain that access to the new computer system will be available via the SAF's internet homepage in the near future. In the meantime Janis will appoint a Claim's point-of-contact person who will work with the MIS Team to provide those Policyholders any Claim information or reports they may need until the Agency's homepage is up and running. Ross Gamble concluded his report by stating that all the training issues on Gerald's Memorandum have been fulfilled.

**99.04 Legislative Update (Pate)**

Jerry Pate stated that the Budget Conference Committee Members have been named by the House and Senate and will begin their work tomorrow. He is currently assembling the Agency's new display unit and will have it set-up in the area by the auditorium for the staff to view. It will be used later this month by Antoinette Walker and Russell Rush at the South Carolina Public Health's Association's Conference in Myrtle Beach.

**99.25 Internal WC Program (Howard)**

Janis Howard distributed a Premium Deductible Comparison to the AQC. Janis said Carla Johnson prepared this document for the Internal WC Program Committee (Janis, Gwen Adkins & Michelle Berry) to analyze and see if it was feasible for the SAF to incorporate a deductible into the Internal WC Program. Shawn Holman explained the various aspects of the WC premium deductible program as outlined in the comparison document to the AQC. Janis reported that the Committee concluded that they do not endorse this program for the Fund. She said the committee is still working on the other components for their program and will make recommendations in their final report to the AQC in the near future.

**99.43 Third Quarter Reports (AQC)**

Shawn Holman briefed the AQC on PHS' activities during the past quarter. The Legal Team's quarterly report was given by Rose Mary McGregor. The AQC agreed to relieve any remaining Units of giving their 3<sup>rd</sup> quarter reports due to the demands of bringing the new management information system up. The 4<sup>th</sup> Quarter Reports will resume during the July 1999 AQC Meetings.

**99.45 MIS Organization (Foshee)**

David Foshee expressed his perspective of how the MIS Team would interface with the rest of the State Accident Fund's organization. He suggested the use of a Computer Steering Committee to analyze and prioritize computer projects for the Agency. This Committee's membership would include staff from each functional unit. The AQC discussed this matter and will look into the membership and re-charter of a previous "Team" designed as the Computer Committee. This item will be carried over for further discussion. David also requested permission to convert and fill one of the vacant FTE's for a new Application Analyst I Position. This was approved by the AQC.

**Staff Staff Suggestions:**

No SAF Staff Suggestions were received this week.

**AQC Members Present were:** Parker, Adkins, Foshee, Harmon, Murphy and Walker.

The May 17, 1999, AQC Minutes were carried over for approval until the next meeting.

**Agenda Items carried over or having no report were:**

**99.04 Legislative Update (Pate)**

**99.25 Internal WC Program (Howard)**

**99.38 McDonald Consultant (Parker)**

**99.47 Turnover Report (Parker)**

**99.03 Computer Progress (Gamble)**

David Foshee reported that since going live two weeks ago the New Computer System is going pretty well and they have only experienced a few problems. He said that Reserve Table has been locking up which prevents the adjusters from making payments until the table is unlocked for them. MIS is working to debug the problem and fix the program. To communicate the resolution to this problem, David will send an E-mail explanation and meet with the Claims Supervisors and Adjusters as needed. To improve the speed of images, David said he has installed some of the new Gateway 350 Mhz PC's in the Scanning and Bill Processing area in Suite 240. He, also, stated that he is working with IBM to improve the performance of the Visual Information Server and Network to speed up the processing of images.

**99.48 Safety Committee Luncheon (Berry)**

Michelle Berry requested Agency funding for a luncheon to reward the SAF staff for their outstanding efforts in the Agency's Safety record. The AQC discussed this matter and **approved** funding up to \$8.00 for each SAF permanent employee for the safety luncheon and the Safety Committee would cover the cost of temporary employees for this event. Michelle said the Agency's Safety Luncheon is scheduled for Thursday, June 24, 1999.

**99.49 Customer Service Communication (Murphy)**

Gerald Murphy suggested that the SAF initiate a proactive Customer Service Plan regarding the implementation of the new Computer System. The AQC discussed a variety of ideas and issues of this item. Gerald said the SAF should contact the Agency Heads, send letters to our Policyholders and contact the Workers Compensation Commission to communicate that the Agency has turned on our New Computer System and some delays in processing may be experienced. Pete Parker agreed this was an excellent idea and indicated that he would work on this plan with the staff later this week.

**Staff Staff Suggestions:**

There were no Staff Suggestions submitted.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate and Walker.

The May 17, 1999, AQC Minutes were approved by the AQC as were the June 7, 1999 as amended.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.46 Key Risk (Gamble)**

**99.03 Computer Progress (Gamble)**

Ross Gamble who was on annual leave last week asked the Unit Managers to update the AQC on the present status of the new computer system. Shawn Holman reported that all the Audit data and FY 1999-2000 Estimates were loaded into PHS as of Friday, June 11, 1999. She added the data is running in PHS and it looks like it is correct, but her Team is going to recheck all the Audits to be sure. Gerald Murphy said there are several documents that were not picked up properly when the new computer was turned on and will have to be researched and processed in CMS. Janice Harmon reported the Records Management Team has supplemented their staffing with several Claim Tech's and Temps to assist the Bill Processors making bill payments to eradicate the backlog from the new computer startup. Janis Howard stated that the Second Injury Report was not working and needed to be fixed. David Foshee said he was aware of the situation would have Billy McClellan and IBM/IEI look in to the matter to resolve it. He reported that even though there are a few problems with the new computer system, its over all operations are going pretty well. He said his staff will continue to install the new Gateway PC upstairs in the Record Management area to speed up their general work and bill payments. David concluded that he has a working list of problems and things that need to be fixed and will be meeting with IBM/IEI later today to schedule the resolution of all of them.

Ross Gamble reminded the AQC that MIRA training is this week and all personnel associated with Reserves need to attend. Also, he suggested that the MIS Steering Committee be activated immediately. The AQC discussed this matter and decided the membership of this Committee should be the Chief Operations Officer, the Legal Office Coordinator and Unit Managers. Pete Parker said he would handle the Team Charter. David Foshee would setup and define a priority scale for MIS projects and provide information for the Committee's organization. The MIS Steering Committee will hold their first meeting on Thursday, June 17, 1999, at 2:00 PM.

**99.80 Centralized Supply Room (Foshee)**

In his report, David Foshee, stated that the Centralized Supply Room Committee had accomplished their main objective of setting up a computerized tracking system to determine the cost of supplies that is used by each Unit.

**99.04 Legislative Update (Pate)**

The House and Senate return next week to complete work on the 1999 legislative session.

Both chambers are expected to adopt recommendations of the conference committee on the State Budget for FY99/00. The conferees removed two provisos affecting SAF. Deleted was a proviso permanently transferring investment income out of the Workers Comp. Trust Fund. Transfers in the past have created deficits in the Trust Fund and driven up workers comp. premiums. The second proviso, requiring SAF to study reinsuring all existing claims, was removed because it allowed only 63 days to complete. Normally such studies take almost one year.

**99.50 Employee Accident Report (Holman)**

Shawn Holman requested that the responsibility for dissemination of the Employee Accident Report be transferred to the Claims Unit. She said the Policyholder Services Unit does not use CMS which generates this report and that her staff is unfamiliar with the data and cannot verify information when discussing this information with SAF's Policyholders. Pete Parker stated this was a matter for discussion and resolution between the Claims/Policyholder Services Units. Those two managers should meet and attempt to find a solution and report the result at the next AQC Meeting.

**99 . 51 Documents on Closed Claims (Foshee)**

David Foshee suggested that documents received by SAF on Closed Claims be attached to the paper Workers Comp Claim File if the Claim is not in CMS. The AQC agreed with this suggestion with one exception: if a document requires action, the Records Management Team will attach the document to the Closed Claim File and route it to the appropriate person.

**99.52 Bills on Closed Claims (Foshee)**

The process for handling bills for Closed Claims was explained to the AQC by David Foshee. He said you must have a Reserve to make payments in CMS for bills on Closed Claims. The AQC discussed this item and agreed that MIS should work out a process in CMS that when an adjuster pays a bill on a Closed Claim that CMS will automatically add the amount of the bill to the Reserves to pay the bill and balance the Reserves on that Closed Claim.

**99.53 Reflections Issues (Foshee)**

David Foshee discussed the use of Reflections Software and IDMS with the AQC. He requested permission to remove Reflections from the computer network, but make it available to those user's who need it in the Computer Room. Reflections is only used in conjunction with the DTR data base. **The AQC granted this request.** He also suggested that the Agency needs to analyze its requirements for IDMS and reduce its use. The IDMS issue was deferred to the MIS Steering Committee by the AQC for resolution.

**99.54 End of Business Decision (Foshee)**

David Foshee explained that a decision needs to be made for a time to cut off business transactions each day so that the MIS Team can start running batch programs. **This was discussed by the AQC and they decided that 5:00 PM would be the End of the Business Day cut off time.** David Foshee will send an E-mail explaining this to the staff.

**99.38 McDonald Consultant (Parker)**

The AQC reviewed the various recommendations of the McDonald Consultant and agreed to defer this item for further discussion. It will be placed on the October 4, 1999, AQC Agenda.

**99.47 Turnover Report (Parker)**

Pete Parker introduced the Turnover Report prepared by Gwen Adkins and the Administration Team to the AQC for their information. He said it was an excellent Report and any recommendations or comments after the AQC reviews it should be given to Gwen.

**Staff Staff Suggestions**

There were no Staff Suggestions submitted.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, McGregor, Murphy, Pate and Walker.

The June 14, 1999, AQC Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.46 Key Risk (Gamble)**

**99.29 TPY Project Team Report (Parker)**

Ray Ambrose distributed to the AQC a Form containing Results Expected Objectives which were extracted from the TPY Project Team Charter. He gave a detailed explanation to the AQC regarding the six objectives the Team is working through to analyze causes and determine solutions for the Agency Third Party WC Claims. He said the Team has found a great deal of inconsistency in the way WC TPY Claims are handled by different staff members. The Team plans to develop a Best Practice Policy for the Agency to have a more consistent way to handle and process TPY Claims. Ray reported the TPY Project Team has set the target date of July 29, 1999, to complete the Team's Mission.

**99.03 Computer Progress (Gamble)**

Ross Gamble told the AQC that MIRA Training went very well last week and the MIRA Representative said the SAF Staff really picked up the use of MIRA very rapidly. David Foshee said an IBM Rep was here last week to check and optimize the Visual Info. David is going to look into the various applications related to Visual Info to see if they can be optimized to speed the system up. Ross said that PHS is still being fine tuned to improve production of Statements and Invoices. He reported that CMS still has some Forms and Document Issues to be resolved which are being worked on. He concluded saying that the Month End Reports are also being finalized by the IEI personnel.

**99.04 Legislative Update (Pate)**

Jerry Pate told the AQC that both South Carolina Chambers will be meeting this week to finish up the 1999 legislative session. He will be attending to ensure the State Accident Fund's interests are being taken care of.

**99.50 Employee Accident Report (Holman)**

Ross Gamble reported that the item had been concluded. He said that Joyce Ernest will distribute the Employee Accident Report to SAF Policyholders for the Agency.

**99.55 How to Reopen Closed Claims Not in CMS (Foshee)**

David Foshee stated a number of the SAF Staff Members have come to MIS with documents for WC Claims that are not currently in CMS. He continued that Bill McClellan has written a program and converted an additional 5000 WC Claims into CMS this past weekend. David will check to see if this resolves this problem. Item carried forward to the next meeting for further discussion if needed.

**99.57 Part-Time Computer Operator (Foshee)**

A request to convert a vacant FTE and hire a part-time computer operator was submitted to AQC by David Foshee. This position would work 4:30-9:30 PM five evenings per week to run batch programs and distribute the printed reports. **The AQC discussed this request and approved it pending OHR authorization and Agency funding.**

**99.58 Employer Seminars (Murphy)**

Gerald Murphy recommended that the Agency sponsor an Annual Workers Compensation Employers Update Seminar for SAF Policyholders on September 21 & 22, 1999. He explained the first day would be for Claims Personnel and the second would be geared for Premium and Safety Personnel. The Agenda may include outside speakers on topics such as "Workers Comp Fraud" and A "Drug Free Work Place". This seminar could be publicized in the Summer Edition of the Agency's Newsletter. **The AQC approved this matter.**

**99.59 Agency Checks (Harmon)**

Janice Harmon reported to the AQC that the current black and white Agency Check's the SAF uses to disburse funds to Claimants and Vendors so closely resembles a copy of the original that it creates a security problem. She requested permission to change the from the

current White Checks to a color version. The matter was discussed by the AQC and **approved with the suggestion** that Janice work with a Printer to determine the best color and possibly a coded paper to provide better contrast and security for the Agency Check's. Additionally, the issue of security and who should handle/deliver the Agency generated Check's was discussed by the AQC. They requested that Janice Harmon review the Agency's methodology in handling and disbursing the Agency's Check's and draft a Policy to be reviewed at the next AQC Meeting.

#### **99.56 Organizational Structure (Parker)**

Pete Parker discussed the over all organization of the State Accident Fund and how training and personnel development interrelates with it. He explained the background and the role of the SAF Training Unit as it has developed. Then, he announced that after speaking with Gwen and Gerald that the Training Unit is now formally placed in the Administration Division.

The broader organization structure of the SAF was the next topic by Pete Parker as he continued his discussion. He said the agency should be organized as closely as practicable to function as a fully competitive state fund (readily "expandable" to serve the private market) should that come about, as that is a part of our mission. Gerald Murphy reported the current status of Kay Heinen working with the Teams. He added that a decision needs to be made on date to have Kay start facilitating the Workflow Process Teams. The AQC agreed now is an excellent time to start looking at the Team's structure and functionality, especially with the new computer system being loaded with data that can start generating reports to measure performance and develop benchmarks. The AQC discussed various aspects of developing an "expandable" organization structure by using Colorado's structure as a starting point. Colorado population is about the same as SC so claim volume would likely be relatively equal, and that fund is organized around teams, as is ours. The AQC agreed it needed to devote its time and efforts to this endeavor, so they set aside 30 minutes at each AQC Meeting starting June 28, 1999, as a starting point for this item.

#### **Staff Staff Suggestions**

There were three Staff Suggestions submitted which related to the following areas: MIRA; the Agency's Dress Code: and, Supervisors' assuming their own Caseload.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, McGregor, Murphy, Pate and Walker.

**Guests:** Kay Heinen

The June 21, 1999, AQC Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.46 Key Risk (Gamble)**

**99.51 Documents on Closed Claims (Foshee)**

**99.59 Check Release Policy (Harmon)**

**99.03 Computer Progress (Gamble)**

Ross Gamble said that the new UPS (Un-interruptible Power Supply) was installed last week to smooth out power surges for the new Computer System. He reported that Policyholder Services sent out the State Agency Invoices last Friday and that City and County Invoices will follow in the near future. He stated that the Forms are still being fine tuned for CMS. He concluded his report stating that PHS' problems are still being worked on. David Foshee said that MIS has installed some 100 Megabit Hubs which has improved the network speed, but the application software still needs to be checked to see if its through put can be enhanced. David noted that tomorrow MIS will be installing a FAX Card Server to test which will eventually allow the SAF Staff to send a FAX from their desk just like an E-mail.

**99.04 Legislative Update (Pate)**

Jerry Pate told the AQC that the pertinent State Accident Fund legislation had been either passed or deleted as proviso's in the FY99-00 Budget. He said S136 is still on hold in the House LCI Committee for this year's session. There has been no date announced by the State Accident Fund Privatization Ad Hoc Committee as to when its Report will be published.

**99.60 General and Merit Increase (Adkins)**

Gwen Adkins presented the FY 1999-2000 Merit Pay Increase Plan to the AQC. She said the Legislature approved an average of 1% Merit Pay Increase for State employees which is tied to their EPMS' score and date. The Plan was **approved** by the AQC for implementation.

**99.56 Organizational Structure (Parker)**

Pete Parker distributed the State of Colorado's Organizational Structure and led a discussion on it. He explained to the AQC that Colorado would be good model for the SAF to review for three reasons: a) Colorado is a fully competitive Workers Compensation Fund; b) Colorado is organized around Teams; and, c) Colorado's population is similar to South Carolina. The Colorado model would be a good "check-list" by which we could assess our organizational needs and flesh out our Plan of Operation (how we would serve the private market if required). The AQC discussed the role of Colorado's Team Leader positions and whether they would fit into SAF's Workflow Teams organization and TQM concepts. They also reviewed Colorado's job descriptions and duties for various other positions. The objective of this on-going discussion will be:

- 1) Flesh out our plan of operation to be ready for the private market requirement,
- 2) Review and maximize efficiency of work processes in context of the new system,
- 3) Move work flow teams into problem solving or "performing" mode,
- 4) Determine and clearly define jobs of all staff in context of the new system, and
- 5) Redistribute accounts carefully and once, based on current data.

**Staff Staff Suggestions**

There were four Staff Suggestions submitted which related to the following areas: a personnel issue; professional appearance; Approval Process for Case Reserves; and, the SAF Standardizing Business Practices.

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate and Walker.

The June 28, 1999, AQC Minutes were approved.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.46 Key Risk (Gamble)**

**99.03 Computer Progress (Gamble)**

Ross Gamble stated that things are going pretty well with the new computer system. He said the computer staff and contractors are continuing to refine the Forms and Reports for CMS. David Foshee reported that the newly install FAX server is up and running and that he will need to set up training on it for the staff. He said he is also talking with IRM to setup an inbound FAX router for the SAF Staff so they can receive FAX documents in their Email.

**99.04 Legislative Update (Pate)**

Jerry Pate told the AQC that he is analyzing some major voting trends in the SC House of Representatives. He said he has contacted several other State Funds to survey how they handle customer relations with their Policyholders.

**99.51 Documents on Closed Claims (Foshee)**

David Foshee opened a discussion with the AQC concerning how to handle documents that are sent to the SAF on a closed WC Claims that are not in the new computer system. The AQC talked about various processes to handle this type of situation and agreed on how these Claims should be handled. When a document is received by the SAF but the WC Claim File is not in CMS and Records Management finds it is a significant document they will pull the File and route it to the appropriate adjuster. If the adjuster determines that the document warrants processing they will notify MIS to convert the WC Claim File in CMS.

**99.62 Prioritize What AQC Needs To Do (AQC)**

Gerald Murphy suggested that the AQC needs to develop a list of items the AQC needs to do and prioritize that list. The AQC discussed this matter and agreed that written plan of where the Agency is needed to be developed as a start point. The AQC continued their discussion with this matter and concluded that a facilitated meeting was needed to determine where the Agency currently stands and to develop a What the AQC Needs To Do List, prioritize it and integrate them into the Agency's Strategic Plan. It was agreed by the AQC that Kay Heinen would facilitate the meeting and it would be scheduled the last hour of the weekly AQC meeting until completed. Additionally, the List of Items developed by the AQC will be posted on the wall in the Suite 150 Conference Room.

**99.62 Strategic Plan (AQC)**

Covered in item 99.62.

**99.56 Organizational Structure (Parker)**

This item was discussed in 99.62.

**99.64 Vacant Positions (Adkins)**

Gwen Adkins discussed the Agency's current Vacant FTE's that have come up for deletion. She asked if any of the Unit Managers needed any of these positions. The AQC discussed the need to try to retain these positions and asked that Gwen write a letter to the Budget Analyst to request an extension to retain these positions. Pete Parker reminded the AQC that previously used Reorganization Guidelines were still in effect to meet the changes brought about by team oriented management and a comprehensive workers' compensation automated system. He added that each Manager should evaluate their staff to ensure that they are fully employed and what functions currently being performed by their Unit that might be subject to elimination as the Agency's organizational structure moves forward in an automated environment. He also distributed the Reorganization Guidelines with the Employee Letter to the AQC. The AQC discussed this matter in depth for clarification.

**Staff Stuff Suggestions**

There were no Staff Suggestions submitted this week.

AQC Minutes 07/13/99

AQC Special Meeting

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Pate and Walker.

**Guest:** Kay Heinen

Janice Harmon requested a Special Meeting of the AQC to discuss her Unit's needs for additional personnel required due to the new automated environment. Janice distributed an Excel Spreadsheet with data on the Bill Processor operations and discussed the needs for additional personnel for the Records Management Team. She elaborated on the data concerning workload of the Bill Processors and the expansion of their duties since the new computer system went live. Janice Harmon and Susan Cornelius told the AQC that the Bill Processors have picked up several duties and tasks that used to be performed by the Claims Techs and Adjusters. The AQC held lengthy discussions concerning the front-end processing of bills and payments and the number of personnel that would adequately fulfill the needs of the Records Management Team. The AQC **approved** three (3) permanent FTE's for the Records Management Team. **Managers were reminded** by Pete of the "ongoing restructuring" policy which is applicable in filling these FTE's.

AQC Minutes 07/19/99

**AQC Members Present were:** Adkins, Gamble, Holman, McGregor, Murphy, Pate and Walker.

**Guest:** Kay Heinen

The July 12, 1999, AQC Minutes and AQC July 13, 1999, Special Meeting Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.56 Organizational Structure (Parker)**

**99.25 Internal WC Program (Howard)**

**99.03 Computer Progress (Gamble)**

Ross Gamble reported that the new computer Reports and Forms are still being refined. Shawn Holman said that the Invoices are currently being cleaned up in PHS.

**99.04 Legislative Update (Pate)**

Jerry Pate stated that he is developing a list of information and data to compile reports that can be used for legislative matters and general staff use.

**99.46 Key Risk (Gamble)**

Ross Gamble said a meeting is scheduled for Pete, Janis and himself with Key Risk a North Carolina based Company to review their services as a potential candidate for the SAF Internal WC Claims Program.

**99.51 Documents on Closed Claims (Foshee)**

This item has been resolved and can be deleted from AQC Agenda.

**99.62 Prioritize What AQC Needs To Do (AQC)**

The AQC agreed to roll this item into 99.63 Strategic Plan.

**99.65 Use of the Auditorium (Adkins)**

Gwen Adkins requested the exclusive use of the Agency's Auditorium for two weeks starting on Wednesday, July 21, 1999, through the first week of August. She said the purpose is to bring up to 10 Temps in to be trained to assist the Records Management Team to catch up the backlog. The AQC approved this request.

**99.63 Strategic Plan (AQC)**

The AQC held a lengthy discussion concerning how to approach the State Accident Fund's Strategic Planning cycle. They agreed that "99.62 Prioritize What AQC Needs To Do" should be incorporated in to the Plan. AQC determined that more research and background information was needed before they could begin this process. The AQC members will review the current Strategic Plan, their Balanced Score Cards and the Employee Satisfaction Survey plus make a list of problematic issues to begin the State Accident Fund's Strategic Planning at the next meeting.

**Staff Staff Suggestions**

There were no Staff Suggestions submitted to the AQC this week.

AQC Minutes 07/26/99

**AQC Members Present were:** Parker, Adkins, Gamble, Harmon, Holman, McGregor, Murphy, Pate and Walker.

**Guest:** Kay Heinen

The July 19, 1999, AQC Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

99.56 Organizational Structure (Parker)

99.25 Internal WC Program (Howard)

99.66 Quarterly Report (Howard)

**99.03 Computer Progress (Gamble)**

Ross Gamble reported that David Foshee has gotten twenty more Gateway 2000 computers and if there is no objections MIS will install them for the Adjusters in the Claims Unit. There was no objections from the AQC. He continued that MIRA will go live at the end of this week. Gerald Murphy added that additional MIRA Training is scheduled for August 25 and 26.

**99.04 Legislative Update (Pate)**

Jerry Pate said that he and Walter Caudle met with some of the Workers Compensation Commission Staff last week to gather Governmental statistical information. He also said he acquired additional public statistics while visiting the OSHA office in the SC Dept. of Labor, Licensing and Regulations.

**99.67 Dept. of Mental Health (McGregor)**

Rose Mary McGregor briefed the AQC on several workers' compensation trends occurring with the Dept. of Mental Health. She distributed statistical data showing DMH's EMOD, Claim data and other related information. The AQC discussed the issues involved with DMH and agreed it would be appropriate to schedule a meeting with DMH to share the information with them and find out how the SAF can provide assistance to DMH to resolve their Claims issues.

**99.63 Strategic Plan (AQC)**

Kay Heinen led a discussion with the AQC concerning the Agency's Strategic Plan. Pete Parker addressed the AQC and stated that he would like to see a Prototype Plan developed that incorporates the Balanced Score Card objective and measures format into our formal Strategic Plan and presented to AQC and the staff as a "working draft" - a guide; not the final product. Kay Heinen said she would work to develop the Prototype document for the next AQC meeting. Additionally, she will review the Employee Satisfaction Survey comments and categorize them into a workable document for distribution to the AQC. Kay also handed out to the AQC a list of items the Workflow Teams compiled that they would like to see the Fund do. The AQC reviewed the list and agreed that most of the items were things that could be completed in a short period of time. Each item on the list was assigned to an AQC member to research what it would take to implement it and report their progress at the next AQC meeting.

**Staff Staff Suggestions**

There were no Staff Suggestions received this week.

AQC Minutes 08/02/99

**AQC Members Present were:** Parker, Adkins, Gamble, Harmon, Holman, Howard, McGregor, Murphy, Pate and Walker.

**Guest:** Kay Heinen

The July 26, 1999, AQC Minutes were approved as written.

**Agenda Items carried over or having no report were:**

99.56 Organizational Structure (Parker)

99.25 Internal WC Program (Howard)

99.66 Quarterly Report (Howard)

99.03 Computer Progress (Gamble)

Ross Gamble told the AQC that the Reports for the new computer system are continuing to be worked on to ensure they are correct and complete. He also mentioned that MIRA was up loaded this past weekend, but still needs some fine tuning.

99.04 Legislative Update (Pate)

Jerry Pate reported that he is continuing to research Governmental and Private Carrier statistical data regarding South Carolina Workers' Compensation Insurance.

99.68 General Staff Meeting (AQC)

The AQC discussed the Agenda items for the upcoming General Staff Meeting on Wednesday, August 4, 1999.

99.63 Strategic Plan (AQC)

Pete Parker discussed with the AQC the possibility of SAF piloting a partnering arrangement with a Third Party Administrator candidate to ensure the Fund has the organizational capability of rapidly expanding or contracting as the South Carolina market so dictates. He continued that it would be in SAF's best interests to develop this idea for three reasons:

1. Establish and test as part of our "Plan of Operation", a mechanism to cost effectively expand and contract to meet rapidly changing conditions in the workers' compensation insurance market in this state (the private market guarantee aspect of our Mission);
2. Determine and document, whether in fact a TPA can or cannot provide claim services as effectively and efficiently as we can do it ourselves; and
3. Establish an arrangement for handling *SAF's own claims*, which will maximize in reality and in the public's perception, that such claims are managed at arms-length.

The AQC discussed this matter and approved the concept of moving forward to develop a design of an experiment and a list of accounts to fit the experiment. Kay Heinen and Gerald Murphy are going to develop a Prototype Model (Strawman Document) and present it to the AQC at their August 23, 1999, Meeting.

**Priorities that the AQC Needs To**

A discussion was led by Kay Heinen to go over the AQC's homework assignment of researching the twenty-two item List (Entitled: "Things that they would like to see the Fund do") submitted by the Workflow Teams. The AQC went over the List item by item reporting their progress of the things that could be done or accomplished in time. Pete Parker will report the AQC's progress on the Workflow Team's List at the General Staff Meeting later this week.

**Employee Satisfaction Survey**

The Employee Satisfaction Survey was reviewed by the AQC. The Survey items were summarized into twenty categories in a document that Kay Heinen had prepared for the AQC. Kay facilitated the discussion of the Survey items with the AQC. The AQC will continue to review this topic at next week's meeting.

**Staff Staff Suggestions**

There were no Staff Suggestions received this week.

AQC Minutes 08/09/99

**AQC Members Present were:** Parker, Adkins, Gamble, Holman, McGregor, Murphy, Pate and Walker.

The August 2, 1999, AQC Minutes were approved as written.

**Agenda Items carried over or having no report were:**

99.56 **Organizational Structure (Parker)**

99.25 **Internal WC Program (Howard)**

99.66 **Quarterly Report (Howard)**

99.63 **Strategic Plan (AQC)**

99.03 **Computer Progress (Gamble)**

Ross Gamble said he had a Conference Call with IEI Officials and they are diligently prioritizing a List of Items to finish up the new computer system. He also reported that IEI personnel will be on premises this week to assist with work on the SAF Reports and Forms.

99.04 **External Communications Update (Pate)**

Jerry Pate stated that he has completed the first draft of the Agency's Presentation on Workers' Compensation Insurance in South Carolina. He will be sending it to members of the AQC for comment later this week.

99.68 **Leukemia Walk (Adkins)**

Gwen Adkins distributed a memorandum requesting approval and outlining the participation by SAF Staff in this year's Leukemia Walk. The AQC reviewed this matter and approved it.

**Staff Staff Suggestions**

No Staff Suggestions were submitted this week.

AQC Minutes 08/16/99

AQC Members Present were: Adkins, Foshee, Holman, McGregor and Walker.

The August 9, 1999, AQC Minutes were approved as written.

Agenda Items carried over or having no report were:

99.04 External Communications Update (Pate)

99.56 Organizational Structure (Parker)

99.66 Quarterly Report (Howard)

99.57 Strategic Plan (AQC)

99.25 Internal WC Program (Howard)

An update regarding this item was given by Gwen Adkins. She said the Team (Adkins, Howard & Berry) met last Friday and has made substantial progress on the Program. Michelle Berry is working up a list of procedures of how to report the accident. They will be meeting again this Friday to finalize the details of the SAF's Internal WC Program. Janis Howard will present the Program to the AQC at next week's meeting.

99.03 Computer Progress (Gamble)

David Foshee reported that Boyd Fittes has been appointed the Project Manager for the New Computer System and is trying to get on track to resolve all the problem areas with it. He reminded all managers to get their Priority Problem List to Ross Gamble.

**Staff Staff Suggestions**

One Staff Suggestion was received this week concerning the possibility of using CMS Work Queues in the determination of caseloads.

AQC Minutes 08/23/99

**AQC Members Present were:** Adkins, Foshee, Gamble, Harmon, Holman, Howard, McGregor, Murphy and Parker.

The August 23, 1999 AQC Minutes were approved as written.

**Agenda Items carried over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.26 Quarterly Report (Howard)**

**99.56 Organizational Structure (Parker)**

**99.57 Strategic Plan (AQC)**

**99.69 Agency Feedback (Heinen)**

**99.70 IT Steering Team Charter (Foshee)**

**99.72 Legal Documents (McGregor)**

**99.73 Litigation Philosophy (McGregor)**

**99.25 Internal WC Program (Howard)**

Janis Howard reported that the team (Adkins, Berry, Howard) met Friday and put together the first draft of internal Workers' Comp Program which includes the procedures for SAF employees to follow when they have an accident at work, SAF's policy regarding an assigned medical provider, and SAF's return to work policy and procedures. Copies were given to AQC for review, suggestions, further discussion, etc. at the next AQC meeting.

**99.03 Computer Progress (Gamble)**

Ross Gamble reported that Kevin Lyle will be here Wednesday and Thursday to finish up the MIRA training and instruct us on how to get the reports we need. Ross advised this is Jeff Pitt's last full week but someone will be available on an as needed basis when Jeff departs.

David Foshee reported he is talking to Boyd Fittes a couple of times a week. David stated they have started the E-Mod testing but the reports are incorrect. David advised that Norma, Mary and Shawn have completed their Priority Problem List. He reminded AQC that the warranty ends August 25 and it was agreed that all items on the list under warranty would be fixed. Pete Parker asked about the Third Party history defect. David stated that Doug Lazecki was doing an analysis now and it was not a big deal to make the changes needed. Pete said he needs the third party history record to work with and produce reports. David said he would check this out. Kay Heinen reminded AQC that Ray Ambrose will be making a TPY report to AQC August 30<sup>th</sup>.

David also informed AQC that the SAF Web site was still under construction.

**99.04 External Communications (Parker)**

Pete announced that September 10, 1999 will be Jerry Pate's last day with the Fund. Jerry has taken an executive position with the South Carolina Telephone Association. Pete advised that he will meet with the Executive Team and with Jerry when he returns next week and make a decision regarding filling this vacancy.

**99.57 Strategic Plan - TPA as Capacity Expander (Murphy)**

Gerald Murphy presented a research proposal as the starting point in determining the impact of using a third party Administrator to handle excess claims as an alternative to expanding SAF staff should the legislature direct the Fund to assume a portion of the private workers' compensation market. There was a lot of discussion on this item. It was decided that the research should be further refined and fleshed out before it becomes an actual proposal. Pete asked that AQC read it over for any questions, suggestions, etc. and bring it back to AQC next week for further discussion.

**99.70 IT Steering Team Charter (Foshee)**

David Foshee handed out copies of the IT Steering Team Charter for AQC's review and approval. This will be brought back next Monday for any further discussion and approval.

**99.71 Work Proposal From Carrie Hendrix (McGregor)**

Carrie presented a work proposal to AQC as a modification of current responsibilities. AQC determined the proposal would be inconsistent with the new computer system processes and duties remaining would not meet full time employment requirements.

**99.72 Legal Documents (McGregor)**

Rose McGregor reported that Legal was not getting copies of pre-hearing briefs timely due to regular mail and Records Management process time. She stated Briefs are served ten (10) days prior to hearings and create a time crunch for the attorneys. Rose and Janice Harmon will get together to work out a temporary process regarding pre-hearing briefs and will report next Monday on this process as well as other Legal mail problems encountered and the cause(s).

**Staff Staff Suggestions**

No suggestions were received.

AQC Minutes 08/30/99

**AQC Members Present were:** Adkins, Foshee, Gamble, Harmon, Holman, Howard, McGregor, Murphy, Parker, Pate.

The August 23, 1999 AQC Minutes were approved with changes.

**Agenda Items carrier over or having no report were:**

**99.74 Reception Duties (Walker)**

**99.25 Internal WC Program (Howard)**

**99.66 Quarterly Report (Howard)**

**99.57 Strategic Plan - TPA as a capacity expander (Murphy)**

**99.72 Legal Documents (McGregor)**

**99.73 Litigation Philosophy (McGregor)**

**99.69 Agency Feedback (Heinen)**

Kay Heinen reported she has distributed a form for tracking the time it takes for the administrative positions in the Claim Unit to perform their tasks. She will also be working with Legal to do the same thing with their administrative positions. Kay stated that the BQC modified the form so they could include Adjusters who are performing the Claim Tech's duties in this study as well. She said BQC would be meeting September 17<sup>th</sup> and she would like to cut off the study a few days prior to the meeting so she can run the numbers and see how they did.

**99.74 Reception Duties (Adkins)**

Gwen Adkins reported that the Claims Techs are no longer available for telephone reception backup due to reassignment of some of these positions to Records Management. She asked that all unit managers look at their units during the week to determine who could be available for this purpose and report back at next week's AQC meeting. Gwen estimates that we need 5 or 6 individuals for emergency back up in addition to the primary and secondary reception back ups. Ross Gamble suggested that we might need to look at a new or different telephone system and mentioned the one at Second Injury Fund. Gwen advised that Dick has been checking into other systems and costs but she would ask him to speed up this process.

**99.03 Computer Progress (Gamble)**

Ross reported that Jeff Pitts would be here through Friday then possibly one day per week as needed to assist the MIS staff.

**99.04 External Communications (Parker)**

Pete Parker announced that Jerry Pate's position would be vacant after September 10<sup>th</sup> and that he had met with the Executive Team and Jerry regarding whether or not to fill this position. Pete recommended that Jerry's position be filled in that the legislative function should not be interrupted and there is the need to establish contact between the appropriate legislators and their staff and our new legislative liaison as quickly as possible. AQC approved Pete's recommendation.

**99.25 Internal WC Claim Program (Howard)**

Janis Howard asked if there were any suggestions, changes, etc. to the Internal WC Program, procedures, etc. which were handed out at last weeks AQC meeting. Several legal issues came up and Pete suggested to save time that Rose McGregor join the team (Howard, Adkins, Berry), review the program for legal questions or issues and bring this back to AQC next week. This was agreeable to everyone.

**99.57 Strategic Plan (TPA as Capacity Expander) (Murphy)**

Gerald brought the draft TPA research proposal back to AQC for further discussion. Again, there was a lot of discussion, some suggestions made, etc. Gerald will make the suggested changes, finish the new draft and bring it back to AQC next week for final review and approval.

**99.70 IT Steering Team Charter (Foshee)**

There was no further discussion regarding the IT Steering Team Charter and it was approved by AQC.

**99.72 Legal Documents (McGregor)**

Rose McGregor reported that she and Janice Harmon had worked out a temporary fix regarding timely receipt of pre-hearing briefs. There was much discussion regarding why there should be “temporary fixes” instead of getting down to the “root problem” and fixing something permanently.

As a result of the discussion Gerald Murphy and/or Kay Heinen will meet with the workflow teams to discuss the indexing system, the number of categories indexers are having to deal with, are all the categories really necessary, who might like to participate in reexamining the index categories, and how to improve the system.

**Staff Stuff Suggestions**

No suggestions were received.

AQC Minutes 09/07/99

**AQC Members Present were:** Parker, Foshee, Gamble, Harmon, McGregor, Murphy, Pate and Walker.

**Guests:** Ambrose, Caudle, Heinen, McCulloch and Whittington.

The August 30, 1999 AQC Minutes were approved as amended.

**Agenda Items carrier over or having no report were:**

**99.04 External Communications (Parker)**

**99.25 Internal WC Program (Howard)**

**99.57 Strategic Plan**

**Prioritize What AQC Needs To Do (Heinen)**

**99.66 Quarterly Report (Howard)**

**99.72 Legal Documents (McGregor)**

**99.74 Reception Duties (Adkins)**

**99.30 TPY Project Team (AQC)**

TPY Project Team Members Ray Ambrose, Walter Caudle, Bob McCulloch and Julie Whittington met with the AQC. Ray Ambrose explained the Team's Report that had been distributed to the AQC earlier. Ray went over the TPY Project Team's Report in detail with the AQC. Both the AQC and TPY Project Team Members discussed a variety of issues and ideas concerning the Report. Concluding these in-depth discussions, the AQC recommended that the TPY Project Team reconvene and develop a Formal Policy for Third Party Process. The Team will complete the Policy and report back to the AQC at their September 20<sup>th</sup> Meeting. Pete Parker highly commended the TPY Project Team for their efforts and the documentation in their Report.

**99.03 Computer Progress (Gamble)**

Ross reported that there was a conference call last week with IEI in Denver to resolve outstanding warranty issues with the new computer system.

**99.73 Litigation Philosophy (McGregor)**

Rose Mary McGregor led a general discussion concerning possible need to restate and reemphasize the Agency's Litigation Philosophy with all claim workers. She noted that an invited medical expert had injected his own legal views in this area, which views conflict with SAF views and policy as expressed from time to time in LMT and HARP. The resulting exchange manifested pent up frustration and disagreement among staffers regarding these matters.

**99.57 Strategic Plan (TPA as Capacity Expander) (Murphy)**

Gerald Murphy discussed the revised TPA Research Proposal with the AQC. It was reviewed and approved by the AQC. Pete Parker said the next step is to schedule a meeting with the TPA to further negotiate the experiment statement and work out issues, plans and implementation schedules for the Project.

**Staff Stuff Suggestions**

One suggestions was received this week. It concerned a personnel matter and Pete Parker will refer it to Gwen Adkins for resolution.

AQC Minutes 09/13/99

**AQC Members Present were:** Parker, Adkins, Gamble, Harmon, Holman, McGregor, Murphy and Walker.

**Guests:** Heinen

The September 7, 1999 AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.25 Internal WC Program (Howard)**

**99.57 Strategic Plan**

**Prioritize What AQC Needs To Do (Heinen)**

**99.66 Quarterly Report (Howard)**

**99.03 Computer Progress (Gamble)**

Ross Gamble said that the weekly conference call with IEI concerned the resolution of nearly ninety outstanding new computer system warranty/support issues. He also stated that they are working to complete all the work on the Agency's Forms.

**99.04 External Communications (Parker)**

The AQC discussed the plans to fill the Executive Assistant II Vacancy. Pete Parker suggested the AQC set up the interviews for this position as quickly as time permits. Gwen Adkins will finish going through the applications to find the most qualified candidates for the interviews. The Interview Team will consist of Adkins, Gamble, Parker, McGregor and Walker with the possibility of Howard also serving on the Team.

**99.74 Reception Duties (Adkins)**

The AQC talked about the Receptionist Area and several options for personnel and technology to ensure that the switchboard is properly staffed during the SAF's operating hours. Gwen Adkins suggested that each Unit look at their personnel to see if additional people could be trained and act as backup staffing in emergencies for the Receptionist Area.

**99.76 Drug Free Workplace Policy (AQC)**

Pete addressed the need to revisit implementation of the "drug free discount" legislation and either find ways to overcome public agency resistance (for fear of lawsuits) or at least recommend legislative changes or additions that would make the legislation acceptable to public agencies. He noted that the private insurance industry represents that they are implementing such programs. However, it appears to us they simply collect signed forms and grant the 5% discount. In this soft market private carries are widely discounting premiums below costs, in any event. Thus they would have little concern about actual compliance. As a state agency with no means of making up any deficiency we simply cannot grant the discount unless the employer actually establishes a program implementing all elements of the statute. So far public agencies are unwilling to implement all elements required to qualify for the discount - particularly the "random testing" criteria - citing legal cases challenging such practices. At a minimum they want assurance that the IRF tort coverage would provide a defense against such actions and pay any judgements. SAF can't give such assurances. This item was continued for further discussion at the next meeting.

**99.77 FY 00/01 Budget (Harmon)**

Janice Harmon reminded the AQC that they should be working on their FY 00/01 Budget requests. She requested all managers to complete their Budget requests with justifications for AQC approval next week.

**99.78 Workplace Violence (Holman)**

Shawn Holman discussed the memorandum distributed to the AQC by the Agency's Safety Committee concerning Workplace Violence. The AQC reviewed this matter and recommended that the Safety Committee draft a Policy on Workplace Violence and present it to the AQC for approval.

**99.79 Speaker's at Conferences (Murphy)**

Gerald Murphy requested the Agency's Guidelines for sending speakers to conferences at the SAF's expense. The AQC concluded that the general rule for the Fund to furnish a Conference Speaker is "it must be of benefit to the State Accident Fund's Policyholders and Customers." On a case by case basis, Unit Manager's must approve such requests and expenditures before any commitment is made for such engagements at SAF expense.

**99.57 Strategic Plan (TPA as Capacity Expander) (Murphy)**

To get this moving Ross Gamble will contact the TPA and meet with them to review revised TPA Research Proposal. He will report back to the AQC on the results of his meeting with the TPA. Further plans for this Project will be formulated by the AQC once this stage is accomplished by Ross.

**Staff Staff Suggestions**

There were no Staff Staff suggestions this week.

AQC Minutes 09/20/99

**AQC Members Present were:** Adkins, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy and Walker.

**Guests:** Heinen

The September 13, 1999 AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.03 Computer Progress (Gamble)**

**99.04 External Communications (Parker)**

**99.66 Quarterly Report (Howard)**

**99.25 Internal WC Program (Howard)**

Janis Howard distributed the State Accident Fund's Internal Workers Compensation Program and processing SAF Employee Claims Policy. The AQC analyzed and discussed this Program and Policy in detail. These items were carried over for further review at the next meeting.

**99.57 Strategic Plan (AQC)**

**Prioritize What AQC Needs To Do (Heinen)**

Kay Heinen reported that she will have a working document for the AQC at next week's meeting.

**TPA as Capacity Expander**

Ross Gamble said that he has sent the revised TPA Research Proposal to Key Risk for review. He will keep AQC informed as he get more information from the TPA.

**99.74 Reception Duties (Adkins)**

The AQC continued their discussion about staffing and the use of technology in the Receptionist Area. After a lengthy discourse, the AQC decided to have Dick Walker develop, with each Unit Manager's approval, a list of personnel that would staff the Agency's switchboard as needed. This list of backup personnel will be reviewed at next week's meeting. Dick is also to develop and implement a survey for a period of thirty days of the incoming calls received at the switchboard to assist in determination of customer needs in conjunction with any future use of automated telephone technology.

**99.76 Drug Free Workplace Policy (AQC)**

The AQC carried on the discussion from the previous week on this subject. They reviewed two model Drug Free Workplace Policy's that were handed out last week. Numerous issues, ideas and suggestions were discussed among the AQC. Several AQC members reported that they had requested additional information on a developing a Drug Free Workplace Policy from other organizations. These documents will be copied and distributed to the AQC this week for discussion at the September 27, 1999, AQC Meeting.

**99.77 FY 00/01 Budget (Harmon)**

Janice Harmon requested all managers to complete their Budget requests and get them to her as soon as possible. This item was carried forward for AQC approval next week.

**Staff Staff Suggestions**

No staff Staff Suggestions were submitted this week.

AQC Minutes 09/27/99

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Howard, McGregor, Murphy and Walker.

**Guests:** Heinen

The September 20, 1999 AQC Minutes were approved as written.

**Agenda Items carrier over or having no report were:**

**99.57 Strategic Plan (AQC)**

**Prioritize What AQC Needs To Do (Heinen)**

**TPA as Capacity Expander**

**99.77 FY 00/01 Budget (Harmon)**

**99.03 Computer Progress (Gamble)**

The AQC was updated on the new Computer System by Ross Gamble. He also said that the Policyholder System's Emods are currently being tested.

**99.04 External Communications (Parker)**

Pete Parker examined the current status of the Administrative Assistant Position with the AQC. He said the interview team should review the position description and interview questions and scoring characteristics to insure they accurately reflect the current needs of the Agency.

**99.25 Internal WC Program (Howard)**

Janis Howard distributed and explained the State Accident Fund's Internal Workers Compensation Policy to the AQC. After reviewing the Policy it was approved by the AQC.

**99.66 Quarterly Report (Howard)**

The Claims Unit Quarterly Report was handed out to the AQC. Janis Howard covered the Claims Unit's latest quarterly activities.

**99.74 Reception Duties (Adkins)**

Dick Walker reported that he had developed a list of personnel that would staff the Agency's switchboard as needed and conferred with each Unit Manager for approval. The list of backup personnel will be published and implemented as soon as possible. Dick said he has gathered the basic information to develop and implement a survey for incoming calls at the switchboard to determine future use of automated telephone technology for our customers. The survey will be done for a thirty day period to insure adequate data.

**99.76 Drug Free Workplace Policy (AQC)**

The AQC continued their talks on this matter. They reviewed four additional model Drug Free Workplace Policy's that were distributed the past week. Several issues and ideas were discussed among the AQC about establishing a Drug Free Workplace Policy. Gerald Murphy suggested developing a Policy that includes the four legislated mandates (Substance Abuse Policy Statement; Employee Notification; Testing Procedure; and, Test Results Confidentiality Protocols) and attempt to get approvals from the Department of Insurance for implementation. Pete Parker added that the Attorney General's Opinion on the Policy would also add credibility to the process. Then, if the Policy, which includes all of the legislative requirements cannot be implemented either because of legal concerns or state agency customers continue to fear it, we could approach the legislature to change the law to insure an acceptable Drug Free Workplace Policy, so we could implement it to qualify our Policyholders for the 5% discount. The AQC asked Kay Heinen and Rose Mary McGregor to draft such a Drug Free Workplace Policy and review it with the them at the October 11, 1999, AQC Meeting.

**99.81 AQC Exploring Telecommuting (Howard)**

Janice Howard suggested that the Agency look into Telecommuting for its staff. The AQC requested Janis Howard, Gwen Adkins and David Foshee to gather information on this subject and be prepared to discuss it at the 10-11-99 AQC Meeting.

**99.82 21" Monitors (Foshee)**

David Foshee reported that he has acquired twelve additional 21" Monitors for the Agency and wanted to know the priority of who they should be issued to. The AQC discussed this item and asked David to review the Agency's allocation of 17", 19" & 21" Monitors and report back next week.

**99.83 Claim Tech Desk Audits (Heinen)**

Kay Heinen distributed the Desk Audit of the Claim Tech Positions and explained the results to the AQC. The Desk Audits were discussed among the AQC. This raised concerns that some managers might be forgoing hiring needed temporary help because of a perception that such is not permissible. Pete stated that none of the discussions about how to fill the "permanent" FTE's (authorized for Records' Management), nor of cost containment concerns he expressed, should be construed as a restriction on managers to retain necessary temporary help during the continuing implementation of the new system. Until that implementation is complete and everyone is back up to speed, and most files are in the system, we will continue to need temporary services that we likely will not need once we reach that plateau.

**Staff Staff Suggestions**

There were no Staff Staff Suggestions submitted to the AQC this week.

AQC Minutes 10/04/99

**AQC Members Present were:** Parker, Adkins, Foshee, Holman, McGregor, Murphy and Walker.

**Guests:** Heinen

The September 27, 1999 AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.29 TPY Project Team (AQC)**

**TPY Policy-Janis Howard**

**99.77 FY 00/01 Budget (Harmon)**

**99.38 McDonald Consultant (Parker)**

Pete Parker started to review the McDonald Consultant's proposal for the SAF with the AQC. Since several members of the AQC were not present to discuss this matter further, it was carried over until the next meeting. The item was deferred several months ago until October.

**99.03 Computer Progress (Gamble)**

The AQC was given an update on the status of the New Computer System including the Forms Tool by David Foshee.

**99.04 External Communications (Parker)**

The AQC was advised on the status of the Executive Assistant II Position by Pete Parker. He added that the Interview Team had narrowed the choices to three candidates who will each do a presentation to the AQC on Monday, October 11, 1999.

**99.57 Strategic Plan (AQC)**

**Prioritize What AQC Needs To Do (Heinen)**

Kay Heinen distributed a mock up of an updated strategic plan to the AQC. She led a discussion and went over the document with the AQC. Pete Parker explained to the AQC that he had asked Kay to take the new ideas from the Balanced Score Card brainstorming and insert them in the existing SAF Strategic Plan under the appropriate objective to come up with the new Prioritization Document. The AQC is to review the document and it will be taken up at the October 18, 1999, AQC Meeting. Pete noted that this is not a substitute for the Balanced Score Card process. We simply ran out of time and became too bogged down with bringing the new system up to complete that process just now. We will get back to that.

**TPA as Capacity Expander**

Pete Parker reported that the SAF has been contacted by another entity who would like to "help out the Fund" in some manner, pertaining to the legislative activity on "privatization" and/or trust fund revenue (probably reinsurance of some sort). He will be scheduling a meeting with the Company to see what type of services they have to offer the Fund.

**99.82 21" Monitors (Foshee)**

David Foshee reported that he has identified twenty-one 21" Monitors for allocation to the Agency Claims Adjusters and will be starting their distribution. Policyholders Service also wants two 21" Monitors and David will work on getting this request filled too.

**99.84 Access to the Internet (Foshee)**

The current Agency Policy regarding staff access to the Internet leaves the approval with the Unit Manager reported David Foshee. He state that this Policy needs to be re-evaluated, especially with the Claims Adjusters for E-commerce and use of the SAF Web Site. The AQC tabled this item until Janis Howard has the opportunity to confer with David Foshee regarding this matter.

**99.85 Policyholders' Internet Access (Foshee)**

David Foshee discussed the possibility of the giving SAF's Policyholders access to the Agency's Web Site via a User ID and Password. The AQC considered several ways to handle this matter. The Agency Newsletter will be utilized to inform Policyholders about the Web Site and the process to receive their User ID and Password. David Foshee will be

the State Accident Fund's Point-of-Contact to authorize Policyholder access to the secure parts of the Agency's Web Site. David will work with Janis Howard and contact those Policyholders whom previously had access to Claim data through IDMS to give them immediate access to their information via the new SAF Web Site. A Statement of Confidentiality and Disclaimer will also be posted on the SAF Web Site for those Policyholders that access information at the site via User ID and Password.

**99.86 Check Printing Contingency Plan (Foshee)**

This item was carried over until David Foshee can meet with Janice Harmon and discuss this matter.

**Staff Staff Suggestions**

No Staff Staff Suggestions received this week.

AQC Minutes Special Meeting 10/14/99

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Harmon, Howard, McGregor, Murphy and Walker.

**Guests:** Heinen

**Executive Assistant II Position (Parker)**

The AQC was advised by Pete Parker that the Executive Assistant (Jerry Pate) position has been filled. He said Teresa Wyatt has been offered and accepted the position. He added that Ms. Wyatt is a Furman University Graduate and has considerable experience with the legislative process including serving as the Executive Assistant to the SC Speaker of House and a Manager with the South Carolina Trucking Association. She also has had some good experience with TQM as a member of the Department of Revenue. Gregg Frampton of that agency was our mentor back in 1990-91.

**Vacant Positions (Adkins)**

Gwen Adkins discussed the need to take some action regarding the Agency's Positions that have been vacant for some period of time before they are eliminated permanently.

Janis Howard continued the topic by requesting approval to add three Claim Technicians to the Workflow Teams (for a total strength of 6 tech FTE's). She cited statistical data concerning the Claims personnel and her concern of being able to maintain a high level of customer service. Janis also said that the Claims Adjusters are really spread thin with all the tasks they are currently performing and need administrative assistance. Rose Mary McGregor added that she had met with the three investigators and found out that they had time which could be used to assist the Claims Unit. She stated that she will be getting together with Kay Heinen to set up a time study of the investigators current duties. Rose Mary will also meet with Janis Howard to determine the type of tasks the investigators could be utilized to do to assist the Claims Unit. **The AQC reviewed and approved Janis Howard's request to fill three vacancies with Claim Technicians.**

Pete Parker also requested AQC approval of a permanent FTE for an administrative management focused person. Pete stated that the hiring of Teresa Wyatt meets our needs for a legislative liaison and that she has experience and skills that can be utilized in other areas such as our floundering "Listening Team" effort, public relations, training assistance and other admin functions. SAF still needs the services of an adept administrative manager type with knowledge, experience and time to manage, facilitate and focus on work flow team process review and reengineering, organizational structure; review, update and incorporation of our Plan of Operation (to cover the private market) and, importantly, to incorporate "Balanced Scorecard" performance and compensation measures into our Strategic plan. Now that we have a completely integrated accounting system, which also brings the check issuing function in-house, we need more management depth in the Accounting Unit - someone who can back up Janice Harmon on the new Lawson system. **The AQC agreed on this issue and approved this FTE.**

Janice Harmon reminded the AQC that she still has two vacant positions that were approved by the AQC a few weeks back. The AQC reassured Janice that she still has authorization to fill those positions.

David Foshee described to the AQC that the MIS Team has two directions it can proceed in maintaining the new Computer System: one, outsource through a vendor; or, two, staff the MIS to handle it internally. David discussed the pros and cons of each possibility with the AQC. His recommendation to the AQC was to staff the MIS Team. The reasoning was vendor cost, internal MIS knowledge of a customized computer system and have the in-house capacity to control and quickly change programming, reports and functions to provide better customer service. Therefore, David requested one vacancy be added to the MIS Team for an Applications Analyst I. **The AQC discussed this matter and approved it.**

AQC Special Meeting Minutes 10/25/99

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Walker, Wyatt, Heinen.

### **Third Party Issues**

Pete Parker addressed the AQC regarding several issues concerning handling Third Party (TPY) Claims. He discussed the TPY Project Team's assignment and recommendations, the Claims Adjusters handling TPY Claims, Adjusters caseloads and Claims Supervisors roles. Janis Howard distributed a package of documents relating to the Third Party Project Team and TPY Claim Processes and Workflow. The AQC analyzed the documents and held detailed discussions of various issues, causes, recommendations and solutions relating to the work of the TPY Project Team and TPY Claim Processing. **Decided: (1) To accept the recommendations of the Third Party Project Team which leaves TPY Claim management with the Claims Adjusters; to revisit that issue six months from an equitable claim load redistribution and implementation of the Project Team's other recommendations, and (2) to proceed with an equitable redistribution of claim loads among twenty one (21) claim adjusters.**

AQC noted that "equitable" redistribution must reference more than the mere numbers of cases and WTU's. Redistribution decisions should factor in *special characteristics* of accounts, such as a high number of injured workers with limited education necessitating lots of special attention, and number of accounts producing the claim load (communicating with one claim contact on 100 claims is less time consuming than communication with 50 contacts to manage 100 claims). Also, each adjuster's experience and ability to do the work should be considered. This decision does not alter the standing rule that claim teams are to constantly monitor output in all areas of the Teams product and, in consultation with management, shift work when appropriate to maximize efficiency and quality of service to our customers.

AQC Minutes 10/25/99

**AQC Members Present were:** Parker, Gamble, Foshee, Harmon, Holman, Howard, McGregor, Murphy, Walker, and Wyatt.

**Guests:** Heinen

The October 4, 1999 AQC Minutes and October 14, 1999 Special AQC Meeting Minutes were approved as amended.

**Agenda Items carried over or having no report were:**

**99.57 Strategic Plan (AQC)**

TPA as Capacity Expander

**99.76 Drug Free Workplace Policy (Heinen/McGregor)**

**99.81 Exploring Telecommuting (AQC)**

**99.84 Access to the Internet (Foshee)**

**99.85 Policyholders' Internet Access (Foshee)**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.87 Status of the Listening Team (Heinen)**

**99.88 Desk Audit (Heinen)**

**99.29 TPY Project Team (AQC)**

Members of the Third Party (TPY) Project Team Ray Ambrose, Julie Whittington and Bob McCulloch reported to the AQC that the Team had completed the TPY Policy with the assistance of Janis Howard and Walter Caudle. Janis Howard distributed the TPY Policy to the AQC. After discussing several issues and amendments to the TPY Policy, the AQC asked Janis to make the changes and bring it back to next week's AQC Meeting for review and approval.

**99.03 Computer Progress (Gamble)**

Ross Gamble reported the current status of Emods, Forms Tool and Reports in conjunction with the new computer system. David Foshee updated the AQC on the progress of the Warrantee issues IEI is working on.

**99.04 External Communications (Wyatt)**

Teresa Wyatt advised the AQC that she is working on the Agency's Legislative Plan for the upcoming session. She reported that the House LCI Committee is taking up S-136 and she will be following it very closely.

**99.38 McDonald Consultant (Parker)**

Pete Parker continued on this item from previous weeks. He outlined the McDonald Consultant's proposal for restructuring the SAF organization and what resources it would take to complete that project. The project, Pete said, would require the Agency to a) review all of its processes and write out all of the efficiencies of the new system, b) complete our "team" organization structure (eliminate the dual structure and appropriately anticipate that part of our mission to serve small businesses should that be required, c) establish critical process measures which will give all workers the performance feedback they need to motivate improvement and d) design a real "performance based" compensation system. Whether this Project is done by a Consultant or by SAF Staff it will require a large SAF employee time commitment in either case. The AQC concluded that although McDonald consultants would bring perhaps a more objective view and more comprehensive knowledge to the issues and expedite decisions, some of what they would propose (derived from preliminary conversation) could not be implemented in a state agency under current law. Thus the expenditure on the consultant would be at least partially wasted. We can do much if not all of this work in-house by designating a project manager with time to plan and keep us focused on the effort. **Decided: Reject the McDonald proposal and proceed with the project in-house.**

**99.77 FY 00/01 Budget (Harmon)**

Janice Harmon distributed and explained what she had worked out with the FY2000-2001 Budget to the AQC. She pointed out the revisions that she made as recommended by the AQC Members at the 10-14-99 Special Meeting. **The AQC reviewed the Budget and approved it.**

**99.57 Strategic Plan (AQC)**

**Prioritize What AQC Needs To Do (Heinen)**

Kay Heinen distributed to the AQC the updated Strategic Plan with material from the Agency's Balanced Scorecards integrated into it. Kay reviewed the Plan with the AQC. The AQC went through the Plan to delete completed items and update other points as needed. In discussions of what was the best approach for the AQC to review and update the Agency's Strategic Plan, AQC Members decided that an off-site meeting was the most appropriate way to handle this item. Kay Heinen and Gerald Murphy volunteered to explore a date and place for to hold the Strategic Plan Meeting.

**Staff Staff Suggestions**

There were no Staff Staff Suggestions submitted to the AQC this week.

AQC Minutes 11/01/99

**AQC Members Present were:** Adkins Gamble, Foshee, Harmon, Howard, McGregor, Murphy, Walker, and Wyatt.

**Guests:** Heinen, McCulloch and Polk.

The October 25, 1999 AQC Minutes and October 25, 1999 Special AQC Meeting Minutes were approved with amendments.

**Agenda Items carrier over or having no report were:**

**99.29 TPY Project Team Recommendations (AQC)**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.87 Status of the Listening Team (Heinen)**

**99.89 General Staff Meeting**

**99.76 Drug Free Workplace Policy (Heinen/McGregor)**

Kay Heinen started the discussion of the Drug Free Workplace (DFW) with the AQC using the draft DFW Policy circulated last week. Attorneys Cynthia Polk and Bob McCulloch attended to assist the AQC with legal issues and questions concerning the DFW Policy. Rose Mary McGregor explained how the Legislature had enacted the Drug Free Workplace Act and the general criteria the State Accident Fund needed to follow to implement the 5% insurance discount with our Policyholders. The AQC and Attorneys discussed the current litigation involving existing Drug Free Workplace Policies concerning the Fourth Amendment and Privacy Issues. Rose Mary McGregor outlined for the AQC specific issues that outweigh compelling State interests in favor of individual privacy involving Drug Free Workplace Policies in court decisions. **The AQC discussed a wide-variety of issues related to this matter and upon a recommendation by Gerald Murphy decided to divide the Drug Free Workplace issue into two parts:**

1-Develop a State Accident Fund Drug Free Workplace Policy. Rose Mary McGregor, Gwen Adkins and Kay Heinen will work on this item.

2-Research what it would take to implement a Drug Free Workplace 5% insurance discount for our Policyholders. Rose Mary McGregor, Cynthia Polk and Bob McCulloch will work on this item and serve as a Subcommittee to develop an Agency Disclaimer by November 8, 1999. David Foshee suggested that Agencies self-certify that they comply as company's must do when contracting with the State.

**99.03 Computer Progress (Gamble)**

Ross Gamble said that the Policyholders System Emods are still being worked on. David Foshee stated there would be some database changes to solve the Forms Tool and Reports in the new computer system. He also updated the AQC on the computer router problems that occurred last week which have been resolved. David briefed the AQC on the new concept of the MIS Help Desk which will be implemented in the near future. He said any user with a computer problem can do a service request form from their desktop or any other agency computer in the Agency's network that will immediately notify the MIS Team and generate a service order of the problem.

**99.04 External Communications (Wyatt)**

Teresa Wyatt told the AQC that she would be working in the Legislature this week with the House LCI Committee.

**99.57 Strategic Plan (AQC)**

**TPA as Capacity Expander**

**Prioritize What AQC Needs To Do (Heinen)** Kay Heinen and Gerald Murphy reported the dates available at the SC Dept. of Corrections training facility. The AQC agreed that 11-29-99 was the best date (pending confirmation by Gerald) to hold the meeting for a Strategic Planning session and it should be attended by AQC Members and one representative from each Team.

**99.81 Exploring Telecommuting (AQC)**

David Foshee explained that he had investigated Telecommuting with several organizations locally and with members of AASCIF. He found the State of Rhode Island is utilizing telecommuting with its staff using a computer server and software called Windows Terminal. The AQC discussed this matter and then requested David to do a cost estimate and explore the possibility of setting up a prototype system to implement telecommuting with the SAF. The AQC also appointed a Telecommuting Committee consisting of Gwen Adkins, Janice Howard, Kay Heinen, David Foshee and Teresa Wyatt to pursue this project.

**99.84 Access to the Internet (Foshee)**

David Foshee requested approval to provide access to the Internet for SAF Staff Members. This was approved by the AQC with the stipulation that each Unit Manager provide David with a list of their staff authorized for internet access.

**99.85 Policyholders' Internet Access (Foshee)**

The AQC reviewed and approved placing on the SAF's Web Site the "confidentiality disclaimer" statement distributed at the last meeting by Rose Mary McGregor. The Web Site Team will also make a list of items and information that SAF Policyholders will be able to access on the SAF Web Site.

**99.88 Desk Audit (Heinen)**

Kay Heinen distributed and discussed with the AQC a desk audit she had recently completed.

**99.90 Leave (McGregor)**

Rose Mary McGregor desired to know how other managers handle annual leave for their employees who may lose leave due to the limit of only 45 days that can be carried forward into the next year. Most managers on the AQC said that the annual leave should be scheduled during the whole year to avert employees from trying to take the majority of their leave during November and December to avoid losing their annual leave time. Employees taking their leave during the entire year also elevates Staff scheduling problems for Unit managers during the year-end holiday season. Gwen Adkins concluded by stating that is the Agency's general practice not to schedule more than two consecutive weeks of annual leave at a time and the maximum amount of annual leave OHR regulations allow employees to take per year is thirty (30) days.

**Staff Staff Suggestions**

No Staff Staff Suggestions were received this week.

AQC Minutes 11/08/99

**AQC Members Present were:** Parker, Gamble, Foshee, Holman, Howard, McGregor, Murphy, Walker, and Wyatt.

**Guests:** Heinen, Hill and James.

The November 1, 1999 AQC Minutes were adopted.

**Agenda Items carrier over or having no report were:**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.76 Drug Free Workplace Policy (Heinen/McGregor)**

Kay Heinen began by discussing the Post Accident Testing section of the Drug Free Workplace (DFW) Policy with the AQC. Next, the AQC looked at the issue of Drug Re-testing. The generally accepted practice is that a drug re-test is given to an employee within thirty (30) minutes of a positive first test to validate the results and meet with the Medical Review Officer for discussions of any extenuating medical circumstances. Kay explained how the Employee Random Drug Testing Process worked and the AQC held a lengthy discussion on this subject. The AQC continued debating how the Agency should implement the Drug Free Workplace Policy to include Pre-Employment and Random Drug Testing. Pete Parker said that the Legislature established the Drug Free Workplace Act and it is our responsibility to implement an Agency Policy to follow the letter and spirit of the law as closely as possible. In addition we must also try to implement a 5% premium discount for those Policyholders who certify that they comply with the DFW Act and if necessary, seek additional legislation to ensure that reluctant agencies are protected by the state's liability insurance plan. Pete stated we must try to deter drug users as we have a social responsibility not to let the Agency become an enabler for drug users. The AQC asked Kay to amend the Agency's Drug Free workplace Policy as discussed and carried it over until next week for final consideration.

**99.29 TPY Project Team Recommendations (AQC)**

Janis Howard presented the Third Party (TPY) Best Practices document with changes, to the AQC. **The AQC approved it with an amendment making clear that that document supplements and does not alter or supercede any policy relating to claim management and settlement.** The Unit Manager will be the approving authority for subsequent Best Practice procedures adopted for their Unit.

**99.03 Computer Progress (Gamble)**

Ross Gamble said that most of IE's personnel resources are being used to work on the Policyholders System Emods. David Foshee updated the AQC on the In-bound FAX Program reporting that Bell South has assigned telephone numbers for this Project. The In-bound FAX Program allows SAF users to receive FAX documents via their Email. He continued that the IBM Representative for Visual Info is coming later this week to fix some problems.

**99.04 External Communications (Wyatt)**

Teresa Wyatt updated the AQC on her meeting with the House Ways and Means Staff. Teresa said she has spoken with Rep. Cato, who chairs the House LCI Committee, and will be working with him and the Committee to move S-136 out of Committee and to the House of Representatives for action.

**99.57 Strategic Plan (AQC)**

**Capacity Expander Experimental Project.** David Foshee reported that he had explored with the MIS staff of our experiment partner, ways to exchange data as required. He cited some perceived data exchange complications that require further discussion with Key Risk management. Ross Gamble will communicate further with Key Risk to explore the issues raised.

**Prioritize What AQC Needs To Do (Heinen)** Kay Heinen reminded the AQC that the Strategic Planning session "Plan the Plan" is being held at Harbison Tech Campus, Room 112, on 11-29-99.

**99.81 Exploring Telecommuting (AQC)**

Kay Heinen said she will facilitate the first meeting of the Telecommuting Committee consisting of Gwen Adkins, Janice Howard, David Foshee and Teresa Wyatt on Thursday, November 18, 1999.

**99.85 Policyholders' Internet Access (Foshee)**

David Foshee stated that he is awaiting a list of information that can be given to SAF Policyholders via the SAF Web Site with Internet access.

Janis Howard suggested David use the information section of the Security Matrix Document that was completed earlier this year.

**99.87 Status of the Listening Team (Heinen)**

Pete Parker reviewed the "Listening Team" role, objectives and status. This item is being researched by Kay Heinen with a view toward restarting movement toward the goals stated for that 1997 initiative.

**99.89 General Staff Meeting**

The AQC discussed and placed items on the Agenda for the November 1999 General Staff Meeting.

**Staff Staff Suggestions**

No one submitted a Staff Staff Suggestion this week.

AQC Minutes 11/15/99

**AQC Members Present were:** Parker, Adkins, Gamble, Foshee, Holman, Howard, McGregor, Murphy, Walker, and Wyatt.

**Guests:** Berry and Heinen.

The November 8, 1999, AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.04 External Communications (Wyatt)**

**99.91 Workplace Violence (Berry)**

Michelle Berry led the AQC discussing the draft Workplace Violence Policy she had sent out last week. The AQC found that this Policy would be easier understood by breaking it into two sections: internal and external Workplace Violence. The AQC requested Michelle Berry to work with Gwen Adkins to revise the Workplace Violence Policy and integrate it with the current Agency Security Policy. They will report back to the AQC on December 6, 1999.

**99.76 Drug Free Workplace Policy (Heinen/McGregor)**

The AQC continued their analysis of the Drug Free Workplace Policy that Kay Heinen had revised. After much discussion of "random testing" required by the Drug Free Workplace statute, the AQC requested that Kay Heinen and Pete Parker research and revise the Drug Free Workplace Policy as necessary for final AQC review at the December 6, 1999, AQC Meeting.

**99.03 Computer Progress (Gamble)**

David Foshee reported that the IBM Rep was here last Friday to look into the Visual Info issues. Another IBM Rep from Greensboro, NC will be coming soon to spend about a week with the SAF to assist the SAF with Visual Info problems. He said he is still working on inbound FAX server. David reported that "bundles 0 through 6" of Forms Tool has been completed by IEI and it will be placed in a test environment in the near future to ensure it is working properly. Also, David stated that MIS is fine tuning and/or upgrading the Oracle and Novell Programs to minimize potential Y2K glitches.

**99.57 Strategic Plan (AQC)**

**Capacity Expander Experimental Project.**

Ross Gamble explained to the AQC that he had spoken with Key Risk concerning data transfer with the SAF. David Foshee added that he is working with their MIS Staff to work out the technical details for data transfer to exchange information. Additionally, Ross said that Key Risk is continuing to work on the issues contained in the Document we sent them.

**99.92 Legal Mail (McGregor)**

Rose Mary McGregor discussed two pieces of legal mail that reached the responsible attorneys much too long after they were apparently mailed. She suggested a need to shore up our processes in such manner as will reasonably ensure timely delivery of legal mail - which usually requires some legal action by a deadline. AQC agreed that these letters ought to be traced back through the process to determine exactly where and why they were apparently delayed and, of course, to fix the source of the problem if within our control. Rose Mary will work with Records Management in this regard and report.

**Staff Stuff Suggestions**

There were no Staff Stuff Suggestions received this week.

AQC Minutes 11/22/99

**AQC Members Present were:** Parker, Gamble, Foshee, Holman, McGregor, Murphy, Walker, and Wyatt.

**Guests:** Heinen.

The November 15, 1999, AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.03 Computer Progress (Gamble)**

Ross Gamble updated the AQC on the current status of implementation.

David Foshee reported that MIS plans to test the Forms bundles that IE has completed this week. He said IE did some clean up of the Emod data base this past week. Dennis Parson has installed Novell on a new server to fix some reoccurring problems and insure Y2K compliance. Oracle software will be upgraded in mid-December 1999 to insure the server is Y2K compliant.

**99.04 External Communications (Wyatt)**

Teresa Wyatt explained that no new Bills have been introduced or pre-filed so far concerning the State Accident Fund. She announced that the House Ways and Means and Senate Finance Staffers who will be working with the Fund have been appointed by those Committees.

**99.57 Strategic Plan (AQC)**

**Capacity Expander Experimental Project.**

Ross Gamble distributed a letter he received from Key Risk to the AQC. The AQC will study the letter and discuss it further at a future meeting.

**Prioritize What AQC Needs To Do**

The AQC was reminded by Kay Heinen that the "Plan the Plan" session was at the Harbison Campus on 11-29-99, 9:00-5:00 in Room 112 of the Continuing Education Building.

**99.93 How to Discourage Printing of Scanned Documents (Gamble)**

A great deal of scanned documents are being printed and placed in Claim Files was reported by Ross Gamble to the AQC. Pete Parker said we need to investigate and ensure that this is not required by some lingering system deficiency and if not, work on ways to stop this waste of time and money, throughout the organization. Ross Gamble will start that investigation by meeting with Janis Howard and determine why this is happening in claims and will report findings to AQC.

**99.94 Flex Time (Heinen)**

Kay Heinen discussed the Flex Time document she sent the AQC last week. She described the Flex Time Schedules, Alternative Work Schedules and Compressed Schedule Alternatives to the AQC. The AQC will review these Flex Time initiatives and take them up again at the December 6, 1999, AQC Meeting.

**Staff Stuff Suggestions**

A Staff Stuff Suggestion was received by the AQC this week. It concerns the Agency policy on "solicitation" for product sales and fund raising projects in the office - desk to desk canvassing and use of E-Mail in connection therewith. AQC will review, update and re-publish that policy.

AQC Minutes 12/06/99

**AQC Members Present were:** Parker, Adkins, Foshee, Heinen, Howard, Holman, McGregor, Murphy, Walker, and Wyatt.

The November 22, 1999, AQC Minutes were approved.

**Agenda Items carrier over or having no report were:**

**99.76 Drug Free Workplace Policy (Parker)**

**99.86 Check Printing Contingency Plan (Foshee)**

**99.91 Workplace Violence (Berry)**

**99.93 How to Discourage Printing of Scanned Documents (Gamble)**

**99.03 Computer Progress (Foshee)**

David Foshee reported that a Test Server is setup and he will be loading the Forms bundles that IE has completed for testing. The PHS Emods will also be undergoing testing. A new programmer, Thomas Davis, will be joining the MIS Team on December 17, 1999. David told the AQC that a new Server has been built, tested and placed into production. He reminded the AQC Members to look at the Agency Y2K Contingency Plan to make sure they are familiar with all their process should a disaster occur. He informed everyone that the IT Steering Team has developed a Prioritized List containing twelve items that IE will proceed to complete. The new Gateway Computers are being rolled out to the staff this week to replace the outdated IBM PC's. He concluded that the MIS Team will be rolling a new CMS Executable to the staff as soon as testing is completed.

**99.04 External Communications (Wyatt)**

Teresa Wyatt said she met with Representative Cato on S136 and is waiting to hear back from the Chairman. She reported that the House Ways and Means Subcommittee that will be working with the State Accident Fund has been appointed. The members are Representatives Young-Brickell, Brown and Kennedy.

**99.57 Strategic Plan (AQC)**

**Capacity Expander Experimental Project.**

David Foshee and Janis Howard updated the AQC on the TPA Expander status. They discussed the Key Risk letter that was sent to Ross Gamble and had distributed to the AQC that addressed several issues involved in developing a partnership with them. David has emailed Key Risk executives the technical information they had requested. Gerald Murphy said that he had distributed Mississippi's Third Party Administrator RFP and it addresses many of the issues that were not included in the original document sent to Key Risk. Pete said that the TPA Task Force needs to review the Mississippi RFP and perhaps incorporate it, at least by reference, into the final document to be used in the TPA Pilot Project. He suggested that the TPA Task Force proceed with this endeavor ASAP.

**Prioritize What AQC Needs To Do**

Kay Heinen discussed the Plan that she had drafted from the November 29<sup>th</sup> session at the Harbison Tech facility. Pete Parker said the Plan is the basic document that will cascade down through the Agency to the Units/Teams and will tie into the Balanced Score Card Objectives. Kay Heinen is going to schedule dates for the Claim Teams that did not go through the Balanced Score Card process. This will bring the Agency's Staff up to the same level of knowledge and have their Balanced Score Card's in alignment with the Agency's Objectives.

**99.94 Flex Time (Heinen)**

Kay Heinen recommended, based on the Alternative Work Schedule Document, that the AQC institute a Flex Time Policy in January 2000. The AQC discussed this matter at length and carried it over until the next meeting. The AQC asked Kay to take the Alternative Work Schedule Document and incorporate it with the existing Flex Time Policy for discussion next week.

**99.95 General Staff Meeting (AQC)**

The AQC discussed and approved items for the December 1999 General Staff Meeting Agenda.

**99.96 Request for Alternative Work Schedule (Howard/Murphy)**

Gerald Murphy requested and was granted a change in work schedule for Walter Caudle. Janis Howard brought up the issue of Telecommuting for the Agency Staff. The AQC agreed that a Telecommuting Policy should be expedited and requested that the Telecommuting Task Force call a meeting as soon possible to proceed in this matter. The Task Force is scheduled to Meet on Friday, December 10, 1999, at 9:00.

**Staff Staff Suggestions**

There were no Staff Staff Suggestions was received by the AQC this week.

AQC Minutes 12/13/99

**AQC Members Present were:** Parker, Gamble, Foshee, Heinen, Harmon, McGregor, Murphy, Walker, and Wyatt.

The December 6, 1999, AQC Minutes were approved with amendments.

**Agenda Items carrier over or having no report were:**

**99.04 External Communications (Wyatt)**

**99.93 How to Discourage Printing of Scanned Documents (Gamble)**

**99.91 Workplace Violence (Berry)**

Michelle Berry explained the updated Agency Policy #36 Workplace Violence Internal/External Security that Gwen Adkins had distributed last week. The AQC and Michelle discussed several issues concerning security measures in the State Accident Fund. Some raised the issue of whether the "Mr. Busby" policy is still needed. Pete Parker said that should be reviewed by the team. If it is to be retained it should be practiced much like a fire drill so all would be familiar with it and know what to do. The AQC accepted the updated Policy as information and requested Michelle get with Gwen and make recommendations for implementing appropriate security measures for the Agency. This item will be placed back on the AQC Agenda for consideration on January 17, 2000.

**99.03 Computer Progress (Foshee)**

David Foshee reported that Oracle Software is working on the new Test Server. He said that Forms has been loaded and are ready for testing by Norma Johnson and Wayne Collins. Also, he stated that PowerBuilder will be upgraded to version 5.04, new executables are being built for CMS and PHS. MIS is also planning to test Word 97 with CMS forms in an effort to upgrade to Office 97. Thomas Davis, the new MIS Applications Analyst will be starting on Friday of this week.

**99.57 Strategic Plan (AQC)**

Kay Heinen discussed the second edition of the items that evolved out of the "Plan the Plan" session on November 29<sup>th</sup>. She also said that she is working on implementation of the Strategic Plan and that document should be available in the near future.

**Capacity Expander Experimental Project.**

The Third Party Administrator Task Force will hold a Meeting on Thursday of this week to get the Project on track.

**99.94 Flex Time (Heinen)**

The AQC carried this item over for further consideration on the January 10, 2000, AQC Meeting.

**99.76 Drug Free Workplace Policy (Parker)**

Pete Parker stated that he has reviewed the SAF Drug Free Workplace Policy and it reads to his satisfaction. He said it also clearly meets the two objectives we were trying to accomplish, namely: "Establish a Drug Free Workplace Policy for the State Accident Fund"; and, "Develop a model Drug Free Workplace Policy for the use of our Policyholders". Ross Gamble is going to ask Dean Kruger with the SC Dept. of Insurance to review and ensure it complies with all the legislative criteria for the 5% Drug Free Workplace premium discount. Rose Mary McGregor has developed a Self Certification Form for Policyholder's to use to qualify for the premium discount. The AQC adopted this Policy subject to the review by the Dept. of Insurance. This item will be placed back on the AQC Agenda when the review by the Dept. of Insurance is completed.

**99.86 Check Printing Contingency Plan (Foshee)**

Janice Harmon and David Foshee presented the basic Check Printing Contingency Plan they have developed to the AQC. The Plan was discussed among the AQC which surfaced several additional issues. More details need

to be incorporated into the Plan with appropriate electronic reports that can be accessed when needed. This item was carried over until next weeks AQC Meeting.

**99.97 Indexing Categories Review Team (Heinen)**

The Indexing Review Team Final Report was distributed to the AQC and explained by Kay Heinen. The Report was a summary of the changes to the Indexing Categories that were started effective November 1, 1999. The AQC accepted the recommendations but decided to make no changes *in the system* until after the first of the year.

**99.98 Project Team Structure & Curriculum (Heinen/Murphy)**

Gerald Murphy and Kay Heinen previewed with the AQC their threefold approach to improve the process of how the Agency selects, charters and manages Project Teams. First, development of a Guidance Team made up of managers whom are directly responsible for Agency's main processes. Second, train a group of staff to become the Team Leader and Quality Coach. Lastly, a specially designed training curriculum to give individuals experience in all the areas needed to coach a Project Team. These proposals will be presented to the AQC with specific recommendations for approval of the Program. Gerald and Kay will coordinate the Program with the other managers not at today's AQC Meeting. They will also develop timelines for the Program and present it for approval next week, with specific recommendations.

**99.99 Payroll (Harmon)**

Janice Harmon reported that the State Treasurers Office is going to be open for two hours on New Year's Day and will allow State Agency's to pick up pay checks. She said since Monday, January 3, 2000, is a State Holiday and some staff will be at the Agency for Y2K purposes, she could get the pay checks and allow staff members to pick them up. SAF employees who have direct deposit would not be effected. Janice will poll the Banks to see if they will be open that Monday for business, then make a decision whether or not this would be feasible to do.

**99.100 Part Time Position (Gamble)**

Ross Gamble requested AQC permission to reclassify the MIS Team's part-time Data Operator I to a part-time Claims Analyst I in the Claims Team.  
The AQC approved this matter.

**Staff Staff Suggestions**

No Staff Staff Suggestions were received this week.

AQC Minutes 12/20/99

**AQC Members Present were:** Parker, Gamble, Heinen, Howard, McGregor, Murphy, Walker, and Wyatt.

The December 13, 1999, AQC Minutes were adopted.

**Agenda Items carried over or having no report were:**

**99.03 Computer Progress (Foshee)**

Ross Gamble reported that Shawn Holman and David Foshee are working on the PHS Premium renewals with Information Engineering Inc.

**99.04 External Communications (Wyatt)**

Teresa Wyatt said she found no new legislative Bills pre-filed that effected the State Accident Fund. She is still waiting to hear from Chairman Cato concerning S136. The legislature will be taking up the Fund's new Budget sometime in January 2000.

**99.57 Strategic Plan (AQC)**

**Capacity Expander Experimental Project.**

The Third Party Administrator Task Force met last Thursday to review the current status of the Key Risk Proposal. The Task Force examined the prevalent issues with Key Risk and modified the Proposal which will be forwarded for their comments.

**99.93 How to Discourage Printing of Scanned Documents (Gamble)**

Ross Gamble suggested that this item be carried over until the January 17, 2000, AQC Meeting. He needs to meet with Rose Mary McGregor and Janis Howard to review this topic.

**99.98 Project Team Structure & Curriculum (Heinen/Murphy)**

The Project Team Structure & Curriculum was reviewed by the AQC. **The AQC approved the Project.** Then, Kay Heinen distributed the tentative timeline for the Project and discussed the general framework for implementation of the Project with the AQC.

**Staff Staff Suggestions**

There were no Staff Staff Suggestions submitted to the AQC this week.

Gerald Murphy reported to the AQC that he had tallied the results of this Survey and its Comments and Suggestions. He will post it on the "R" Drive for general staff review.

**99.19 Important Tasks That Are Not Covered-How To? (Parker)**

Pete Parker discussed with the AQC the "How To" get moving and implement several important objectives that are not moving as well as is necessary: such as the Listening Team efforts; provision for Agency Web Page maintenance; progression of process teams into process improvement mode - the ("performing") stage, and aligned strategic planning process. Pete will elaborate on this by developing a written list of "Things That Need To Be Done" and email it to the AQC for further discussion at the next meeting.

**Staff Staff Suggestions:**

No Staff Staff Suggestions were submitted this week.