

SIGFA Survey of State Self-Insurance Guaranty Funds

Response for: **South Carolina**

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2 **What is the total future value of claims currently covered by self-insurance, including case reserves and IBNR if known?**

Answer
<input type="checkbox"/> Less Than \$10 million dollars
<input type="checkbox"/> \$10,000,000 to \$25,000,000
<input type="checkbox"/> \$25,000,001 to \$50,000,000
<input type="checkbox"/> \$50,000,001 to \$100,000,000
<input checked="" type="checkbox"/> Greater Than \$100,000,000

3 **Are self-insured employers/funds required to actuarially calculate their WC liabilities and report that figure to the state?**

Answer
<input type="checkbox"/> Yes
<input checked="" type="checkbox"/> No

4 **If self-insured employers/funds are required to actuarially calculate their WC liabilities and report that figure to the state... How often are they required to report?**

Answer
<input type="checkbox"/> At Least Annually
<input type="checkbox"/> Every 2 Years
<input type="checkbox"/> Less Frequently Than Every 2 Years
<input type="checkbox"/> Other

- 5 How many individually self-insured employers defaulted on their claims obligations since Jan 1, 2009?

Answer
None
<input checked="" type="checkbox"/> 1
2
3
4
5 or more

- 6 Describe the structure of how your state regulates self-insurance and covers the administration of claims of defaulting employers (e.g. a single state entity that does both, combination of state agency and private fund, etc.)

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- 7 Are individually self-insured employers required to carry specific excess insurance?

Answer
<input checked="" type="checkbox"/> Yes
No

- 8 If individually self-insured employers are required to carry specific excess insurance, what is the maximum amount of loss permitted to be retained by the self-insured employer before the specific excess insurance carrier begins paying?

Answer
\$250,000 or Less
\$250,001 to \$500,000
<input checked="" type="checkbox"/> \$500,001 to \$1,000,000
\$1,000,001 to \$2,500,000
\$2,500,001 to \$5,000,000
More Than \$5,000,000
Other

9 If specific excess insurance is required, is it required to provide full statutory coverage once the self-insured retention point has been breached?

Answer
<input type="checkbox"/> Specific Excess Insurance Is Not Required
<input type="checkbox"/> Specific Excess Is Required To Pay Full Statutory Coverage
<input checked="" type="checkbox"/> Specific Excess Is Not Required To Pay Full Statutory Coverage
<input type="checkbox"/> Other

10 How does the amount of loss permitted to be carried by the self-insured employer, through either a high or low self-insured retention, impact the amount of required security?

Surety calculated by self-insurers loss history in SC, financial condition and new risks such as the opening of a new facility or increased employment.
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11 Are the carriers who provide the excess insurance required to be an admitted carrier?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No

12 Are carriers who provide excess insurance required to possess a minimum AM Best rating?

Answer
<input checked="" type="checkbox"/> No
<input type="checkbox"/> Yes, At Least A+ (Superior)
<input type="checkbox"/> Yes, At Least A- (Excellent)
<input type="checkbox"/> Yes, At Least B+ (Good)
<input type="checkbox"/> Yes, B, B- (Fair)
<input type="checkbox"/> Other

13 Does the state have access to financial statements of the individual self-insured employer?

Answer

Yes

No

14 Does the state monitor the credit strength of individual self-insured employers?

Answer

Yes

No

15 If the state monitors the credit strength of the individual self-insured employer, for what purpose?

16 Is full statutory coverage provided by your state insurance guaranty association/fund in the event that the voluntary market excess carrier becomes insolvent? If not statutory, what is the maximum required payment?

Answer

No, Payment is Limited To Less Than Full Statutory Coverage

Yes, Full Statutory Coverage Is Provided

Other: No Guaranty Fund.

17 In the event that the self-insured employer and the excess carrier both default on their payment obligations, what process is in place to guarantee payment of claims?

None

18 In the event that the self-insured employer and the surety bond carrier both default on their payment obligations, what process is in place to guarantee payment of claims?

None

19 If a domestic surety bond carrier defaults and is placed into rehabilitation / liquidation by your state insurance department, which creditor class will workers' comp surety bonds be considered?

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20 Does your state have a separate guaranty fund for individual self-insured employers?

<b>Answer</b>
Yes
<input checked="" type="checkbox"/> No

21 Does your state have a separate guaranty fund for group self-insured funds?

<b>Answer</b>
Yes
<input checked="" type="checkbox"/> No

22 If a self-insured employer guaranty fund exists in your state is it a governmental, quasi-governmental, or private entity?

<b>Answer</b>
Governmental
Quasi-Governmental
Private
<input checked="" type="checkbox"/> No State Self-Insured Guaranty Fund Exists
Other

23 Does your self-insured employer state guaranty fund levy assessments against individual self-insurers?

<b>Answer</b>
Yes, Assessments Are Levied Against Individual Self-Insurers
No, Assessments Are NOT Levied Against Individual Self-Insurers
<input checked="" type="checkbox"/> We Have No Individual Self-Insured Employer Guaranty Funds
Other

24 **If assessments are levied against individual self-insurers, how are they calculated?**

25 **How are claim liabilities funded when a group self-insurer defaults?**

26 **How many employers are currently individually self-insured in your state?**

Answer
<input type="checkbox"/> None, Individual Self-Insurance Is Not Allowed
<input type="checkbox"/> Less Than 20 Employers Are Self-Insured
<input type="checkbox"/> From 20 to 75
<input checked="" type="checkbox"/> From 76 to 125
<input type="checkbox"/> From 126 to 175
<input type="checkbox"/> From 176 to 225
<input type="checkbox"/> Over 225
<input type="checkbox"/> Other

27 **What types of employers are eligible to individually self-insure their WC liabilities in your state (e.g. private [non-state] entities only, public and private, etc?)**

Answer
<input checked="" type="checkbox"/> Privately Held Companies
<input checked="" type="checkbox"/> Public Entities
<input type="checkbox"/> Governmental Agencies
<input checked="" type="checkbox"/> School Boards
<input checked="" type="checkbox"/> Municipalities
<input type="checkbox"/> Individual Self-Insurance Is Not Allowed
<input checked="" type="checkbox"/> Other: County Government

28 **What are the minimum financial requirements for participation in self-insurance (e.g. minimum net worth, earnings, etc.?)**

29 Are individually self-insured employers allowed to self-administer their claims?

<b>Answer</b>
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Individual Self-Insurance Is Not Allowed
<input type="checkbox"/> Other

30 If individual self-insured employers are allowed to self-administer claims, are there conditions imposed that do not exist for those employers who utilize a TPA?

<b>Answer</b>
<input type="checkbox"/> Yes
<input checked="" type="checkbox"/> No
<input type="checkbox"/> Individual Self-Insurance Is Not Allowed
<input type="checkbox"/> Other

31 Is group self-insurance permitted in your state?

<b>Answer</b>
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No

32 How many group funds are operating in your state?

<b>Answer</b>
<input type="checkbox"/> None
<input type="checkbox"/> 1-5
<input checked="" type="checkbox"/> 6-10
<input type="checkbox"/> 10-15
<input type="checkbox"/> More Than 15

33 Is group self-insurance permitted in your state for public entities (i.e. public schools)

<b>Answer</b>
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Other

34 Are both heterogeneous and homogeneous group self-insurance funds permitted in your state?

<b>Answer</b>
<input type="checkbox"/> Yes, Both Heterogeneous & Homogeneous Groups Are Permitted
<input checked="" type="checkbox"/> No, Only Homogeneous Groups Are Permitted
<input type="checkbox"/> Other

35 How many employers are currently insured through self-insured group funds?

<b>Answer</b>
<input type="checkbox"/> None, Group Self-Insurance Is Not Permitted
<input type="checkbox"/> Less Than 500
<input type="checkbox"/> From 501 to 1,000
<input checked="" type="checkbox"/> From 1,001 to 2,500
<input type="checkbox"/> From 2,501 to 5,000
<input type="checkbox"/> From 5,001 to 10,000
<input type="checkbox"/> More Than 10,000

36 Are group self-insurers required to carry specific excess insurance

<b>Answer</b>
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Other

37 Are group self-insurers required to carry aggregate excess insurance?

<b>Answer</b>
Yes
<input checked="" type="checkbox"/> No
Other

38 Are individual self-insured employers required to collateralize their self-insured liabilities by posting a surety bond, letter of credit, or other security with the state governing agency?

<b>Answer</b>
<input checked="" type="checkbox"/> Yes
No
Other

39 What forms of collateral or security are allowed?

<b>Answer</b>
<input checked="" type="checkbox"/> Surety Bonds
<input checked="" type="checkbox"/> Letters of Credit
Cash
Securities
Real Property
Other

40 How is the collateral obligation calculated? (e.g. formula based on case reserves, actuarially developed, etc?)

The average of three years SC paid losses of the self-insurer multiplied by 150%, not to be less than \$500,000
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41 **How often is the collateral or security calculated and adjusted to reflect changes with the self-insured employer?**

**Answer**

Yearly, Once Calculated The Amount Remains Unchanged For A Year

Periodically As Needed, Changes May Occure During A Year

Other

42 **How does the state insure that the collateral is sufficient to cover the liabilities in the event of a failure to pay benefits by the individually self-insured employer?**