## 2023 Annual Report SOUTH DAKOTA WORKERS' COMPENSATION ADVISORY COUNCIL

This document serves as the report of meetings, discussions, and recommendations of the Workers' Compensation Advisory Council (WCAC), pursuant to SDCL 62-2-10. Council members include Scott Stern (chair), Jesse Smith, Kate Lukkes, Kory Rawstern, Russ Hohn, Guy Bender, Jason Dodson, Michael Williams, Susan Peterson, and the nonvoting member Department of Labor and Regulation Secretary Marcia Hultman. The report is available to any interested person or group and can be found at <a href="mailto:dlr.sd.gov">dlr.sd.gov</a>.

Effective July 1, 2023, through June 30, 2024, an overall average decrease of 6.7% was approved for the advisory loss costs in the voluntary market. This is the 12<sup>th</sup> consecutive decrease for loss costs in the voluntary insurance market. An overall average rate level decrease of 9.3% was approved in the Assigned Risk Market.

Indemnity and medical costs per case exhibit year-to-year variability. Lost time-claim frequency values continue to show a long-term pattern of decline.

WCAC action for 2023 began at the August 17, 2023, meeting. The Council received the Division of Labor and Management's report about the state of the system. The public had the opportunity to offer comments. The Council approved review of the administrative rule concerning reimbursement for dental services for workers' compensation cases as requested by the Dental Association.

The Council held its second meeting on October 17, 2023, and heard a proposal on revising SDCL 62-6-5 by Kids' Chance of South Dakota. The Council moved to advance the legislative proposal with agreed-upon revisions through the legislative process. Submitted documents and Council minutes will be available at: http://dlr.sd.gov/workers\_compensation/meetings.aspx.

The Council offers condolences on the passing of Council member Randy Stainbrook on January 7.

Respectfully submitted on October 17, 2023, by the Workers' Compensation Advisory Council.

Amber L. Mulder

Director of Labor and Management

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