

2022 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, Randy Stainbrook, Russ Hohn, Guy Bender, Jason Dodson, Brooke Bohnenkamp, and the nonvoting member Department of Labor and Regulation (DLR) Secretary Marcia Hultman. The report is available to any interested person or groups and can be found at dlr.sd.gov.

Effective July 1, 2022, through June 30, 2023, an overall average decrease of 7.3% was approved for the advisory loss costs in the voluntary market. An overall average rate level decrease of 5.9% was approved in the Assigned Risk Market from the previous year. This is the eleventh consecutive decrease for loss costs in the voluntary insurance market.

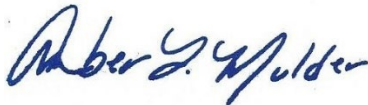
There was a moderate decrease in claim frequency for the latest year. The indemnity and medical severity exhibit year-to-year variability, although both indicate relatively stable trends when observed over the long-term.

WCAC action for 2022 began at the July 14, 2022, 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. Testimony was heard on a proposal to reform South Dakota's laws concerning case management plan communication, as well as changing the law concerning the period of time for employees to file a first report of injury. The Council took no action on the proposals.

The Council held its second meeting on October 20, 2022, and allowed for additional testimony on the proposal to reform South Dakota's laws concerning case management plan communication. The Council moved to advance the legislative proposal through the legislative process.

Submitted documents and Council minutes will be available at:
http://dlr.sd.gov/workers_compensation/meetings.aspx.

Respectfully submitted on October 20, 2022, by the Workers' Compensation Advisory Council.



Amber L. Mulder
Director of Labor and Management