

State of Arkansas

A. WATSON BELL, CHAIRMAN
KAREN H. McKINNEY, COMMISSIONER
PHILIP A. HOOD, COMMISSIONER

D. ALAN McCLAIN
CHIEF EXECUTIVE OFFICER

DAVID GREENBAUM
CHIEF ADMINISTRATIVE LAW JUDGE



FORT SMITH DIVISION
616 GARRISON – ROOM 207
FORT SMITH, AR 72901
TELEPHONE 479-783-7970
TOLL FREE 1-800-354-2711

SPRINGDALE DIVISION
244 SOUTH 40TH
SPRINGDALE, AR 72762-3845
TELEPHONE 479-751-2790
TOLL FREE 1-800-852-5376

MIKE BEEBE, GOVERNOR
WORKERS' COMPENSATION COMMISSION

324 Spring Street
P.O. Box 950
Little Rock, Arkansas 72203-0950
Telephone 501-682-3930 / 1-800-622-4472
Arkansas Relay System TDD 1-800-285-1131
www.awcc.state.ar.us

EXHIBIT F

April 30, 2010

Ms. Kim Baxter
Legislative Analyst
Arkansas General Assembly
State Capitol, Room 315
Little Rock, Arkansas 72201

Dear Ms. Baxter:

Enclosed please find the Quarterly Report for January, February, and March, 2010, as required by Act 1179 of 1999.

If I may provide any further information or assistance, please do not hesitate to contact me.

Very truly yours,


D. Alan McClain
Chief Executive Officer

DAM:wd

Enclosure

cc: A. Watson Bell, Chairman
(W/Enclosure)

State of Arkansas

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April 30, 2010

QUARTERLY REPORT
January, February, March, 2010

The following, as required by Act 1179 of 1999, is a report of activity by the Arkansas Workers' Compensation Commission's Health and Safety Division and the Medical Cost Containment Division.

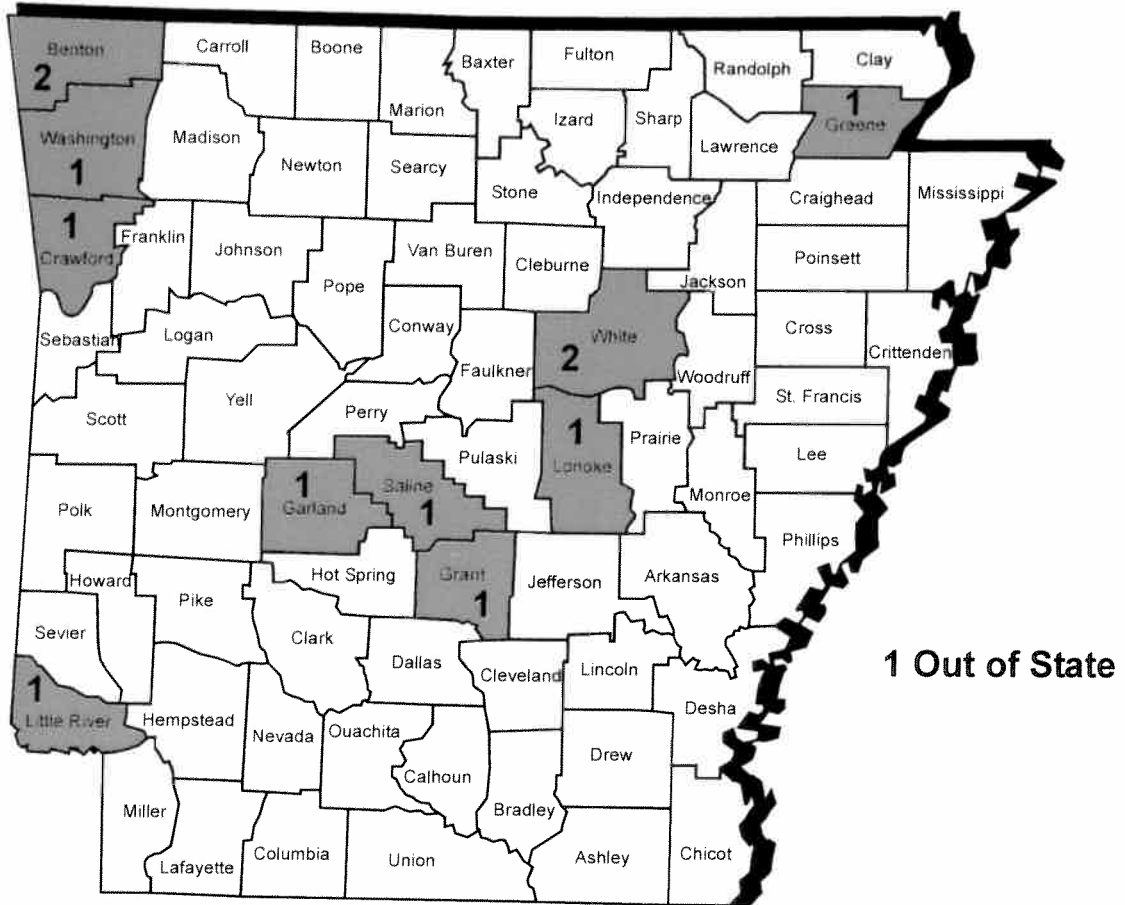
HEALTH AND SAFETY DIVISION

Ark. Code Ann. §11-9-409, as amended by Act 796 of 1993, established the Workers' Compensation Commission's Health and Safety Division to launch educational programs; collect injury data; identify hazardous employers; monitor their progress with follow-up inspections; and monitor accident prevention programs of insurance carriers.

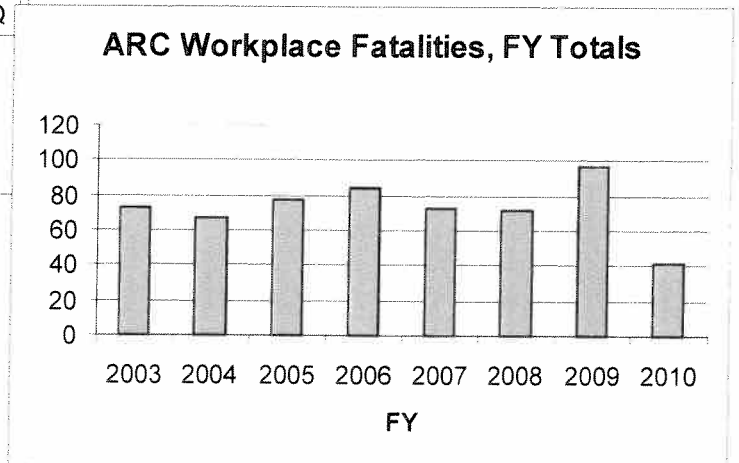
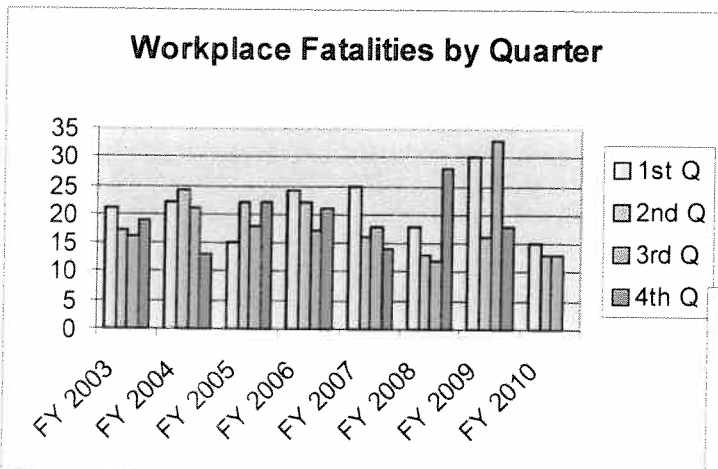
MEDICAL COST CONTAINMENT DIVISION

The Medical Cost Containment Division (MCCD) was established pursuant to Ark. Code Ann. §11-9-517 (1987) and is responsible for the implementation, revision, and compliance of Commission Rules 30, 33, and 34. Rule 30 consists of an inpatient and outpatient medical fee schedule. Rule 33 is our managed care rule, and Rule 34 refers to the Impairment Rating Guide.

**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
3rd Quarter, FY 2010**



During the 3rd Quarter, FY 2010, 13 fatalities were reported to the Arkansas Workers' Compensation Commission; one of these fatalities occurred to businesses located out of the state.



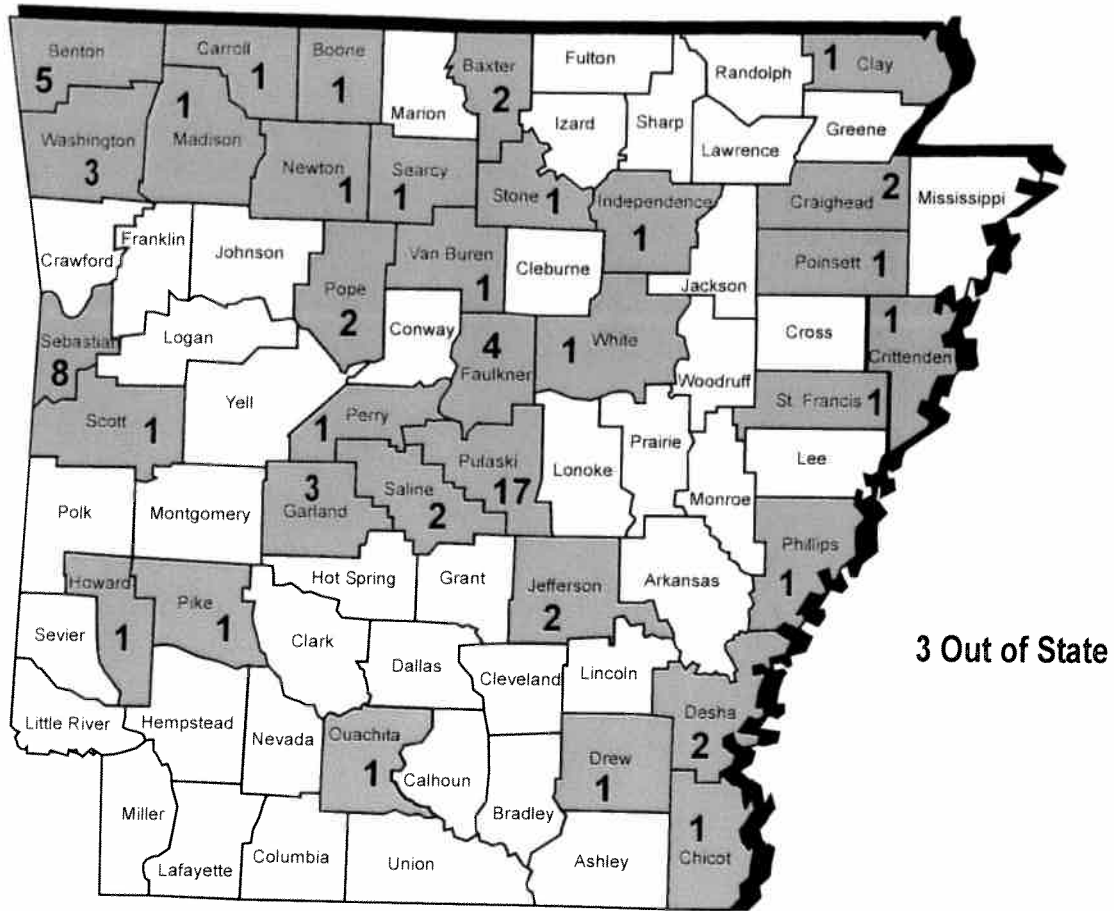
**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
3rd Quarter, FY 2010**

Rep. to AWCC	Employee	Employer	County of Employer	Length of Service (yrs.)	Type of Work	Type of Injury
2/22/10	Edward Day	Cargill Turkey Production, LLC	Benton	4.6	Driver	MVA
3/18/10	James Fairchild	Clarion Hotel	Benton	0.5	Engineer	MVA
2/22/10	Trayon M. Duncan	A-Z Gifts	Crawford	5.9	Stocker	Struck by
1/28/10	Carlos Resendiz	R and E Construction	Garland	0.1	Carpenter	Fall
1/14/10	John Tanner Davis	Sheridan Excavating	Grant	4.8	Laborer	Struck by
3/28/10	Jim Luke	Emerson Electric	Greene	38.3	Laborer	Heart attack
2/5/10	Justin Vaughan	Domtar Corp.	Little River	36.0	Wood Procuerman	MVA
2/19/10	Manuel Lee Prater	Hi-Tech Epoxy Floor Products	Lonoke	7.0	Not given	MVA
1/25/10	Gerald B. Miller	Richardson Electric, LLC	Saline	Not given	Electrician	Heart attack
2/23/10	Richard Bruno	Franklin & Son, Inc.	Washington	11.1	Sheet Metal Worker	Not given
2/16/10	Jacqueline Owens	Conley Transport	White	1.1	Driver	MVA
2/16/10	Gordon Bavuma	Conley Transport	White	3.5	Driver	MVA
3/9/10	Charles Knight	Railcrew Express	Out of State	11.4	Driver	Heart attack

**Arkansas Workers' Compensation Commission
Health and Safety Division
Workplace Fatalities Reported to AWCC
3rd Quarter, FY 2010**

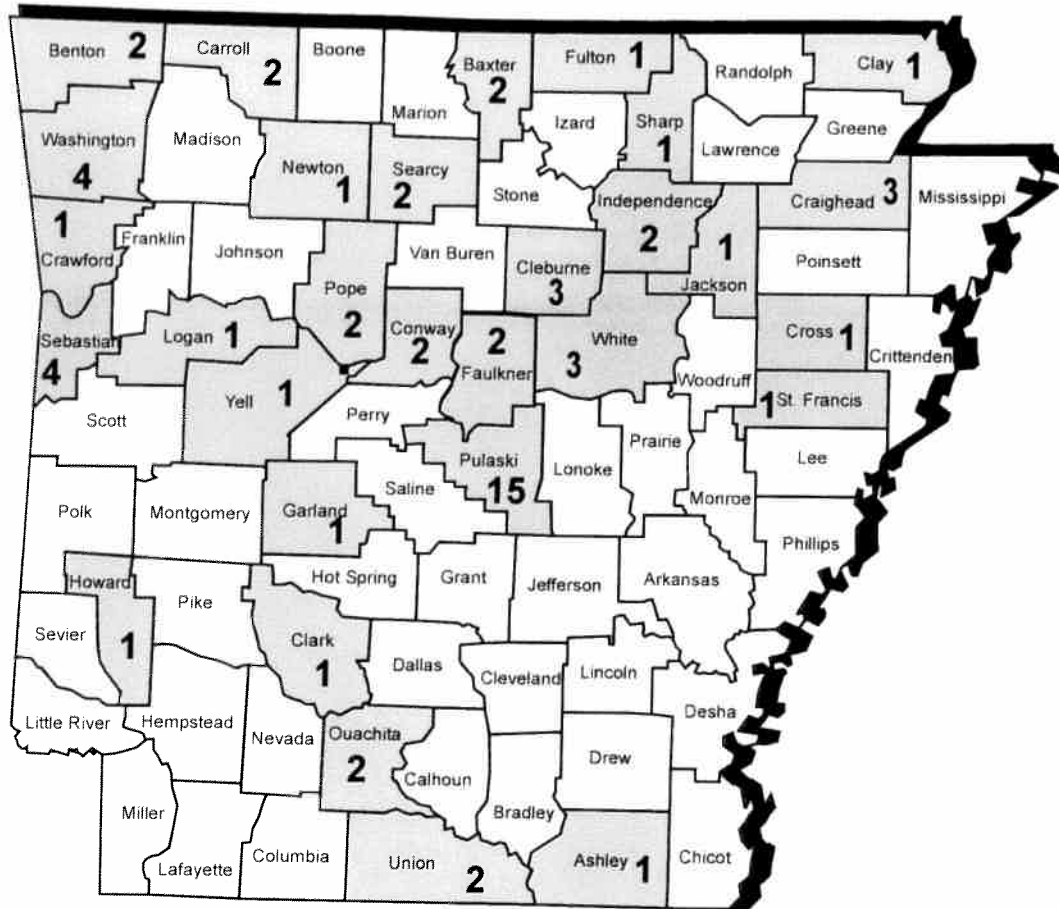
Employer	County of Employer	Length of Service (yrs.)	Type of Work	Type of Injury
Cargill Turkey Production, LLC	Benton	4.6	Driver	MVA
Clarion Hotel	Benton	0.5	Engineer	MVA
A-Z Gifts	Crawford	5.9	Stocker	Struck by
R and E Construction	Garland	0.1	Carpenter	Fall
Sheridan Excavating	Grant	4.8	Laborer	Struck by
Emerson Electric	Greene	38.3	Laborer	Heart attack
Domtar Corp.	Little River	36.0	Wood Procuerman	MVA
Hi-Tech Epoxy Floor Products	Lonoke	7.0	Not given	MVA
Richardson Electric, LLC	Saline	Not given	Electrician	Heart attack
Franklin & Son, Inc.	Washington	11.1	Sheet Metal Worker	Not given
Conley Transport	White	1.1	Driver	MVA
Conley Transport	White	3.5	Driver	MVA
Railcrew Express	Out of State	11.4	Driver	Heart attack

**Arkansas Workers' Compensation Commission
Health and Safety Division
Employers Placed in the Rule 32 Program
3rd Quarter, FY 2010**



During the 3rd Quarter, FY 2010, 76 places of employment were placed in the Rule 32 Program. Employers are identified for the Rule 32 Program if they have a higher-than expected number of compensable claims for their industry group. Employers placed in this program are encouraged to work with their workers' compensation insurance carrier, in-house staff, or other professional safety sources to develop management tools which will help them run safer workplaces and minimize workers' compensation costs through the use of such tools as return-to-work programs, drug-free workplace programs, claims management, etc.

**Arkansas Workers' Compensation Commission
Health and Safety Division
Employers Completing the Rule 32 Program
3rd Quarter, FY 2010**



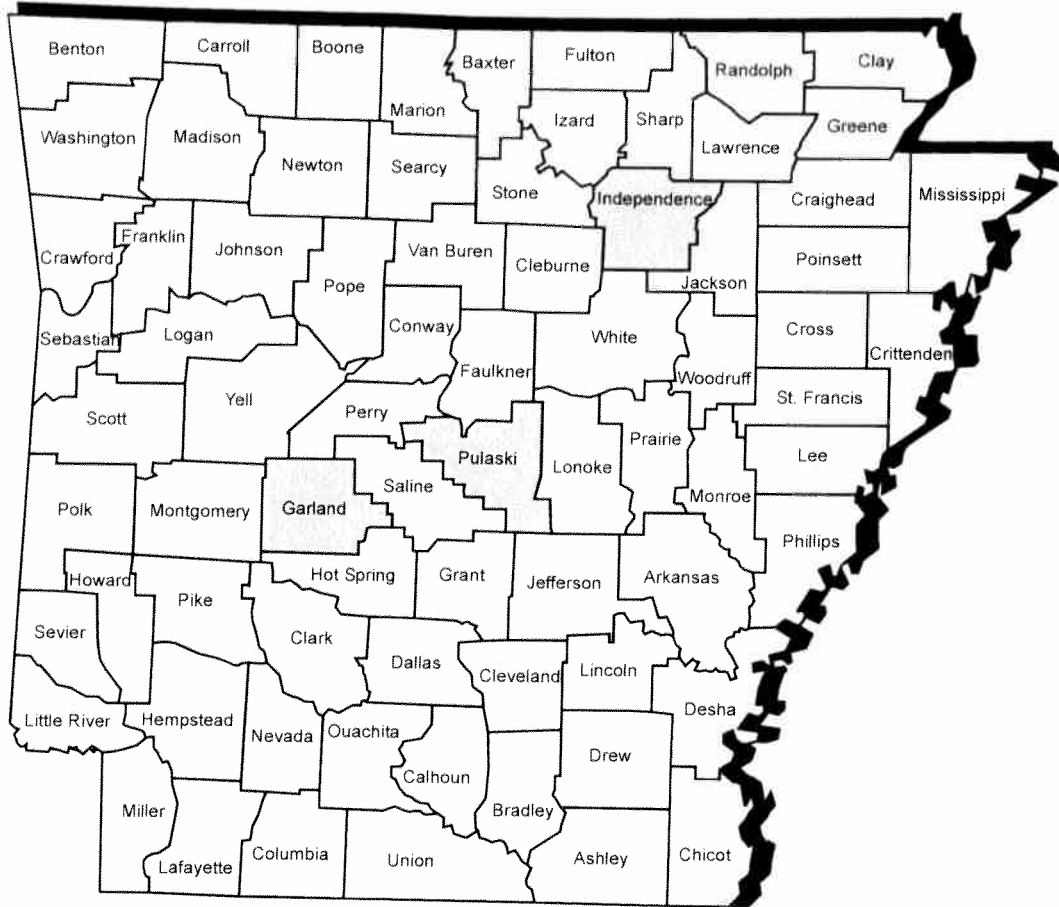
During the 3rd Quarter, FY 2010, 66 employers successfully completed the Rule 32 Program.

**Arkansas Workers' Compensation Commission
Health and Safety Division
3rd Quarter, FY 2010
Rule 31: Accident Prevention Services Program
Arkansas Workers' Compensation Insurance Companies**

The Accident Prevention Services (APS) group conducts audits of all insurance companies writing workers' compensation insurance policies in Arkansas. During the 3rd Quarter, FY 2010, the APS group inspected the following companies:

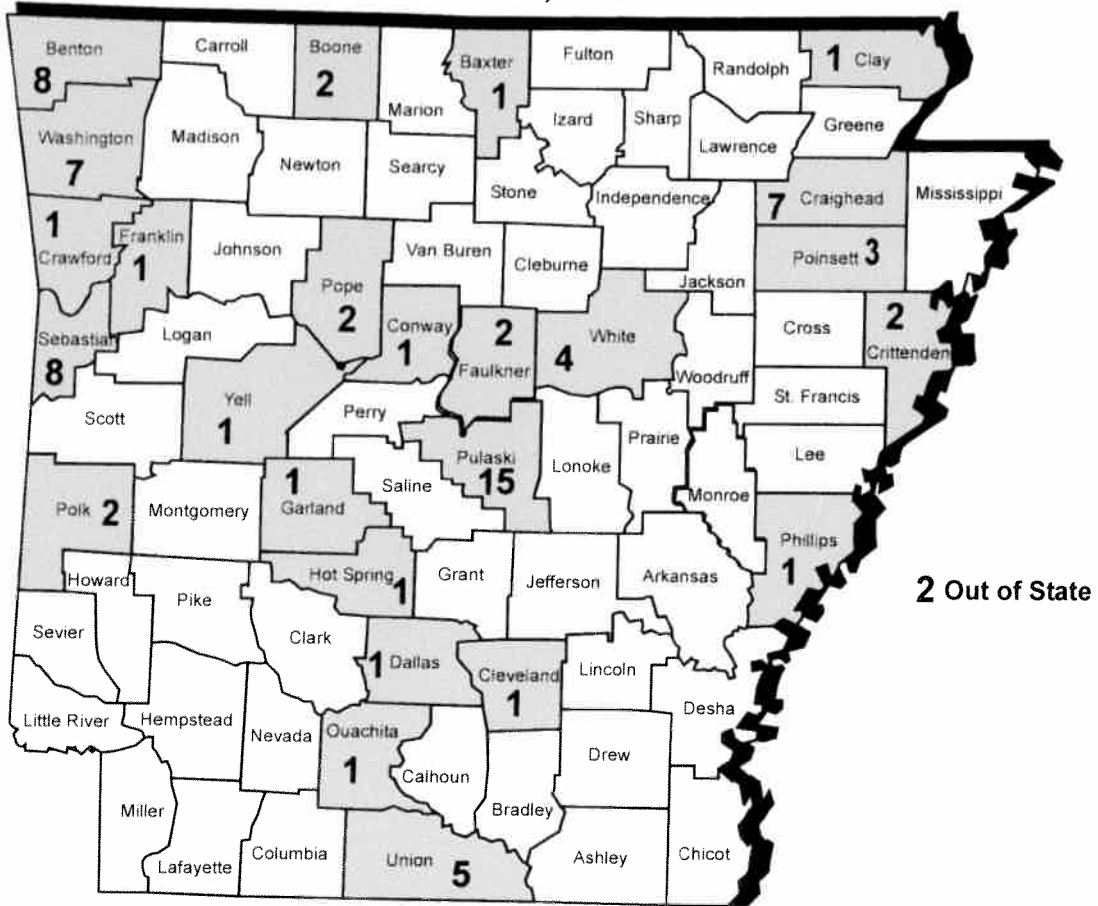
Company	Account Premiums	No. of Policyholders
The Gray Insurance - The Gray Casualty & Surety Company	\$814,979.40	6
AmTrust No. America - Trinity Universal Insurance Company of Kansas, Security National Insurance Company, Milwaukee Casualty Insurance Company, Trinity Universal Insurance Company of Kansas, Technology Insurance Company, Wesco Insurance Company, Security National Insurance Company.	\$4,184,552.00	1541
Fireman's Fund Insurance Company - American Auto Insurance Corp. Fireman's Fund Insurance Company of Wisconsin, Fireman's Fund Insurance Company of Nebraska, The American Insurance Company, Jefferson Insurance Company, Associated Indemnity Co., National Surety Company.	\$451,836.00	79
State Auto Insurance	\$2,618,655.00	520
Redland Insurance Company	\$75,897,230.00	365
Carolina Casualty	\$501,569.00	40
THE Insurance Co.	\$40,895.00	1
Southern Insurance	\$381,095.00	83
Amerisure Companies - Amerisure Mutual Insurance Company, Amerisure Insurance Company	\$3,395,402.00	191
State Farm Group	\$2,191,120.42	1214
Praetorian Insurance Co	\$158,258.00	16
SPARTA Insurance	\$16,651.00	9

**Arkansas Workers' Compensation Commission
Health and Safety Division
Presentations and Speaking Engagements
3rd Quarter, FY 2010**



The AWCC Health and Safety staff receive frequent requests to speak on a variety of topics related to loss control, drug-free workplace programs, and related topics. If your constituents would like to host a program by the Health and Safety staff on these or other subjects, please contact Patricia Burge at 501-682-2063 or pburge@awcc.state.ar.us.

**Arkansas Workers' Compensation Commission
 Health and Safety Division
 Voluntary Drug Free Workplace Program
 New Approvals and Renewals
 3rd Quarter, FY 2010**



During the 3rd Quarter, FY 2010, the following Arkansas companies received approval of their Voluntary Drug Free Workplace Programs:

**Arkansas Workers' Compensation Commission
Health and Safety Division
Voluntary Drug Free Workplace Program
New Approvals and Renewals
3rd Quarter, FY 2010**

Company	City	County
Crawford Electric Inc.	Mountain Home	BAXTER
Red Rock Oil Field Hauling, LLC	Rogers	BENTON
Central Group LLC	Rogers	BENTON
Bud Anderson Heating & Cooling, Inc.	Lowell	BENTON
Wil-Shar, Inc.	Rogers	BENTON
Crossland Construction	Rogers	BENTON
Crossland Heavy Construction	Rogers	BENTON
Insul Bead Corp.	Gravette	BENTON
Bentonville Childcare Center	Bentonville	BENTON
Arkansas Products Co.	Harrison	BOONE
Petromark, Inc.	Harrison	BOONE
J.W. Black Lumber Co.	Corning	CLAY
KP Carriers, Inc.	Kingsland	CLEVELAND
Crow Paving, Inc./Jay-Pac, Inc.	Morrilton	CONWAY
Sign Systems, Inc.	Jonesboro	CRAIGHEAD
J.T. White Hardware & Lumber Co.	Jonesboro	CRAIGHEAD
City Water & Light	Jonesboro	CRAIGHEAD
Consolidated Youth Services	Jonesboro	CRAIGHEAD
National Medtest, Inc.	Jonesboro	CRAIGHEAD
Habasit America	Jonesboro	CRAIGHEAD
Tate Contractors, Inc.	Jonesboro	CRAIGHEAD
Crawford Construction Company	Van Buren	CRAWFORD
F.S. Sperry Company, Inc.	Memphis	CRITTENDEN
Campbell's Welding, LLC	Earle	CRITTENDEN
Freer Trucking, Inc.	Fordyce	DALLAS
NBMC, Inc.	Greenbrier	FAULKNER
Dayco Construction	Damascus	FAULKNER
Precision Rathole, Inc.	Ozark	FRANKLIN
GTS Construction, Inc.	Hot Springs	GARLAND
Diamond State Trucking, Inc.	Malvern	HOT SPRING
D&D Forestry, Inc.	Camden	OUACHITA
Thomas Petroleum, Inc.	West Helena	PHILLIPS
RDM Cabinets, Inc.	Trumann	POINSETT
Greenway Equipment, Inc.	Weiner	POINSETT
Tru-Cab, Inc.	Trumann	POINSETT
Brodix, Inc.	Mena	POLK
F.M. Dix Co., Inc.	Mena	POLK
RGC Glass, Inc.	Russellville	POPE
Kirby Specialties Corp.	Russellville	POPE

**Arkansas Workers' Compensation Commission
Health and Safety Division
Voluntary Drug Free Workplace Program
New Approvals and Renewals
3rd Quarter, FY 2010**

Company	City	County
Beard-Breeding Painting	Mabelvale	PULASKI
Bailey Industries, Inc.	Little Rock	PULASKI
Parkway Automotive	Little Rock	PULASKI
Golden Eagle of Arkansas, Inc.	Little Rock	PULASKI
Bailey Properties, LLC	Little Rock	PULASKI
Grubbs, Hoskyn, Batron & Wyatt, Inc.	Little Rock	PULASKI
Harvey Sheetmetal, Inc.	North Little Rock	PULASKI
Handling Systems & Conveyors	Mabelvale	PULASKI
Heslep Concrete Company	Little Rock	PULASKI
Democrat Printing & Litho Co.	Little Rock	PULASKI
Wilbert Burial Vault Co., Inc.	Alexander	PULASKI
RP Power, LLC	North Little Rock	PULASKI
ACE Glass Company	Little Rock	PULASKI
Hugg & Hall Mobile Storage	Little Rock	PULASKI
Rubber & Gasket Co.	North Little Rock	PULASKI
Bradley Machine Co.	Fort Smith	SEBASTIAN
Carman, Inc.	Fort Smith	SEBASTIAN
Rodebush Construction, Inc.	Fort Smith	SEBASTIAN
Dale Crampton Company	Fort Smith	SEBASTIAN
Zero Mountain Inc.	Fort Smith	SEBASTIAN
J & B Supply, Inc.	Fort Smith	SEBASTIAN
Manufacturers Transport, Inc.	Fort Smith	SEBASTIAN
Harris Company of Fort Smith, Inc.	Fort Smith	SEBASTIAN
AmerCable Inc.	El Dorado	UNION
Mangum Contracting Inc.	El Dorado	UNION
Polyethylene Containers, Inc.	El Dorado	UNION
Deltic Timber Corporation	El Dorado	UNION
Lee's Trucking, Inc	El Dorado	UNION
Advanced Records Management	Springdale	WASHINGTON
The Potty House, Inc.	Fayetteville	WASHINGTON
Arkansas Occupational Medicine	Springdale	WASHINGTON
Heartland Honda	Springdale	WASHINGTON
Johnson Mechanical	Fayetteville	WASHINGTON
Maynard, Inc.	Fayetteville	WASHINGTON
Lindsey Management Co., Inc.	Fayetteville	WASHINGTON
Russell Construction Co., Inc.	Beebe	WHITE
Caldwell Milling Co., Inc.	Rose Bud	WHITE
D-H Electrical Contractors, Inc.	Searcy	WHITE
B&G Pipeline	Searcy	WHITE
Masonry IV	Dardanelle	YELL
Dennis Electric, Inc.	Bartlett	Out of State
Southeastern Property Management	Birmingham	Out of State

MEDICAL COST CONTAINMENT DIVISION

In the last quarter the following activities occurred regarding these rules:

Rule 30

Rule 30 was revised effective May 15, 2000. The AWCC adopted the Medicare RBRVS Medical Fee Schedule with Arkansas specific reimbursement multipliers. The new Medical Fee Schedule is available electronically from the AWCC Home Page. Since the Medical Fee Schedule is available electronically, we are no longer printing a medical fee schedule.

Administrative Review

Rule 30 contains an **Administrative Review Process**. This process allows providers or carriers to request assistance from the Medical Cost Containment Division regarding disputes. Each administrative review requested consists of an investigation, desk audit by department staff, and the issuance of an order, which determines the disputed issue. During this quarter there were 18 review requests processed, seven (7) review requests granted, and 21 orders issued. The ongoing issues in dispute consist of nonpayment, untimely payment, penalty request, and reimbursement disputes.

Balance Billing

Rule 30 also contains a prohibition against **balance billing** by providers. The balance billing process involves: receipt of an allegation of balance billing by a claimant, carrier, employer, self-insured, etc.; notice being sent to all involved parties; an investigation; an audit; and a determination order being issued. During this quarter, the MCCD received "zero" balance billing allegations.

Investigations

Investigations: There were approximately 147 investigations conducted this quarter.

Quarterly Report
April 30, 2010

Rule 33

We currently have 11 certified Managed Care Organizations.

Medical Reports

This quarter we received three (3) cases involving disputes about obtaining the medical records.

Change of Physicians

This quarter the MCCD received 143 COP requests. MCCD issued 113 orders, and 27 requests were either returned to open general files, withdrawn, controverted, resolved, or returned to the Clerk of the Commission's office for other action.

Audits

Requests are received from the ALJ Division as well as outside entities (i.e., caseworkers, attorneys, etc.) for medical bill audits.

This quarter the MCCD received and processed six (6) audits.

Rule 34

There have been no changes at this time in Rule 34.

Speaking Engagements

During this quarter there were no engagements/activities attended.