

# Uninsured Employers' Fund

## MISSION

The Uninsured Employers' Fund (UEF) strives to promptly pay awards ordered by the Workers' Compensation Commission in favor of injured workers against non-insured employers who default on payments, and to maintain an adequate fund balance from which to pay claims through the collection of applicable fines, assessments, and benefit recoveries.

## VISION

A State that ensures that all injured workers awarded benefits by the Workers' Compensation Commission are promptly and correctly paid.

## KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Goal 1. To efficiently investigate and defend and monitor all designated non-insured cases.**

**Obj. 1.1** All new cases will be promptly reviewed, investigated, and prepared for legal defense as required.

**Obj. 1.2** All claims will be monitored for investigation, coverage and activity for purposes of monitoring their status and insuring accurate processing and management.

Performance Measures	2021 Act.	2022 Act.	2023 Act.	2024 Act.	2025 Act.	2026 Est.	2027 Est.
Number of claims filed	462	511	391	487	475	523	575
Number of investigations conducted	462	511	391	487	475	523	575
Number of claims where coverage is found	183	207	190	249	240	260	540
Number of claims were found to be responsible	195	98	76	42	191	210	231
Average number of open claims	678	660	563	515	570	590	610

**Goal 2. To monitor awards and follow established procedures to ensure prompt payment to claimants and health care providers.**

**Obj. 2.1** By the use of active case monitoring, the agency will promptly initiate the appropriate benefit payments for each case following the determination of the Fund's legal obligation.

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**Goal 3. To track and collect fines, assessments, and awards benefits paid by the Fund, and to maintain the adequacy and integrity of the Fund balance.**

**Obj. 3.1** The agency seeks to maximize its collections from non-insured employers utilizing all legal processes including, as a last resort, Central Collections.

**Obj. 3.2** To ensure that adequate funds are available from which to pay claims, the ratio of total Fund expenditures to total collections will remain less than 1:1. (Maryland law permits increasing the one percent permanency award assessment rate if required. Funds from this source are reliable as the payers are primarily insurance companies.)

Performance Measures	2021 Act.	2022 Act.	2023 Act.	2024 Act.	2025 Act.	2026 Est.	2027 Est.
Number of cases resolved	600	659	613	555	762	780	800
Number of benefit payments made	1,984	11,616	1,694	1,599	1,715	1,800	1,900
Value of compensation and medical payments made	8,225,106	5,648,907	4,925,642	6,427,536	5,774,926	5,800,000	5,900,000
<sup>1</sup> Agency operating expenditures	1,940,363	4,098,804	4,880,612	4,668,311	4,650,796	4,650,000	4,750,000
Total expenditures	10,165,469	9,747,711	9,806,254	11,095,847	10,425,722	10,450,000	10,650,000

Performance Measures	2021 Act.	2022 Act.	2023 Act.	2024 Act.	2025 Act.	2026 Est.	2027 Est.
Dollar amount of assessments collected (\$)	10,948,564	9,035,789	7,264,077	8,124,529	7,457,990	7,500,000	7,500,000
Interest on fund balance	20,075	35,514	215,683	252,691	242,133	250,000	250,000
Recovery of benefit payments owed by uninsured employers	1,340,995	799,598	987,239	903,956	785,787	900,000	900,000
Total revenue	12,309,634	9,870,901	8,466,999	9,281,176	8,485,910	8,650,000	8,650,000
Ratio of total expenditures to total revenue for the year	0.83:1	0.99:1	1.16:1	1.12:1	1.23:1	1.21:1	1.23:1

## NOTES

<sup>1</sup> This metric does not include funding for the third-party administrator contracts. These funds were categorized as non-budgeted prior to fiscal year 2022, but have been recategorized as special funds due to accounting changes.