

# 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	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Act.	2019 Est.	2020 Est.
Number of claims filed	N/A	N/A	N/A	N/A	479	500	525
Number of investigations conducted	N/A	N/A	N/A	N/A	479	500	525
Number of claims where coverage is found	N/A	N/A	N/A	N/A	98	100	110
Number of claims were found to be responsible	N/A	N/A	N/A	N/A	1,172	1,100	1,125
Average number of open claims	N/A	N/A	N/A	N/A	1,270	1,200	1,200

**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.

**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	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Act.	2019 Est.	2020 Est.
Number of cases resolved	480	436	370	430	992	430	425
Number of benefit payments made	3,414	4,102	3,740	4,114	2,250	3,758	2,175
Value of compensation and medical payments made	7,209,657	7,977,380	9,982,139	8,862,974	9,449,100	9,800,000	8,859,100
Agency operating expenditures	1,268,351	1,260,488	1,173,751	1,589,940	1,787,862	1,589,000	1,888,833
Total expenditures	8,478,008	9,237,868	11,155,890	10,452,914	11,236,962	11,389,000	10,747,933

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Performance Measures	2014 Act.	2015 Act.	2016 Act.	2017 Act.	2018 Act.	2019 Est.	2020 Est.
Dollar amount of assessments collected (\$)	8,380,848	8,389,731	8,725,988	7,589,375	9,586,116	8,100,000	8,800,000
Interest on fund balance	115,016	109,558	105,075	110,847	121,238	71,000	110,000
Recovery of benefit payments owed by uninsured employers	678,801	416,493	548,441	708,563	1,492,355	700,000	900,000
Total collections	9,174,665	8,915,782	9,379,504	8,408,785	11,199,709	8,871,000	9,810,000
Ratio of total expenditures to collections for the year	0.92:1	1.04:1	1.19:1	1.24:1	1.00:1	1.28:1	1.10:1



## Uninsured Employers' Fund

### C96J00.01 General Administration

#### Program Description

The Uninsured Employers' Fund (UEF) reviews and investigates claims filed by employees or, in the case of death, by their dependents. If the employer does not pay what is due the claimant, the Fund will directly pay the compensation benefits and medical expenses, and attempt to recover all benefits paid plus certain assessments from the uninsured employer. The cost of administering the Uninsured Employers' Fund and providing benefits to the claimants is wholly specially funded, principally derived from assessments placed upon awards of compensation.

#### Appropriation Statement

	2018 Actual	2019 Appropriation	2020 Allowance
Number of Authorized Positions	13.00	13.00	13.00
Number of Contractual Positions	0.10	0.00	0.10
01 Salaries, Wages and Fringe Benefits	1,153,291	1,222,427	1,526,592
02 Technical and Special Fees	3,346	7,100	12,346
03 Communications	44,602	57,721	32,012
04 Travel	20,222	14,500	25,000
08 Contractual Services	427,608	137,827	161,674
09 Supplies and Materials	8,666	19,500	19,500
10 Equipment - Replacement	15,541	11,385	11,385
12 Grants, Subsidies, and Contributions	0	0	2,000,000
13 Fixed Charges	114,586	129,106	129,064
Total Operating Expenses	631,225	370,039	2,378,635
Total Expenditure	1,787,862	1,599,566	3,917,573
Net General Fund Expenditure	0	0	2,000,000
Special Fund Expenditure	1,787,862	1,599,566	1,917,573
Total Expenditure	1,787,862	1,599,566	3,917,573
<b>Special Fund Expenditure</b>			
C96301 Uninsured Employers' Fund	1,787,862	1,599,566	1,917,573
Total	1,787,862	1,599,566	1,917,573

### 3 Year Position Summary

Classification Title	FY 2018 Positions	FY 2018 Expenditures	FY 2019 Positions	FY 2019 Appropriation	FY 2020 Positions	FY 2020 Allowance
<b>C96 - Uninsured Employers' Fund</b>						
<b>C96J0001 - General Administration</b>						
Admin Officer II	1.00	60,530	1.00	60,530	1.00	61,741
Admin Officer III	1.00	0	1.00	41,358	0.00	0
Admin Prog Mgr I	1.00	85,401	1.00	85,401	1.00	87,110
Admin Spec III	1.00	0	1.00	34,390	1.00	35,078
Administrative Mgr Senior I	0.00	83,294	0.00	0	1.00	84,960
Asst Attorney General VI	2.00	214,353	2.00	183,391	2.00	188,866
Asst Attorney General VII	0.00	65,869	0.00	0	2.00	199,590
Claims Investigator IV	1.00	0	1.00	34,390	0.00	0
Exec Dir Uninsured Employer Fund	1.00	115,000	1.00	115,000	1.00	117,300
Fiscal Accounts Technician I	1.00	0	1.00	33,850	0.00	0
Fiscal Accounts Technician II	1.00	0	1.00	32,364	1.00	33,012
MBR Uninsured Employers Fund	0.00	6,962	0.00	0	0.00	0
Office Secy III	1.00	45,994	1.00	45,994	1.00	46,914
Paralegal I	1.00	0	1.00	30,472	0.00	0
Prgm Mgr IV	0.00	0	0.00	0	1.00	65,901
Principal Counsel	1.00	89,363	1.00	104,235	1.00	116,965
<b>Total C96J0001</b>	<b>13.00</b>	<b>766,766</b>	<b>13.00</b>	<b>801,375</b>	<b>13.00</b>	<b>1,037,437</b>