

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	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Est.	2023 Est.
Number of claims filed	N/A	479	483	570	462	495	550
Number of investigations conducted	N/A	479	483	570	462	495	550
Number of claims where coverage is found	N/A	98	168	170	183	190	210
Number of claims were found to be responsible	N/A	1,172	53	136	195	205	225
Average number of open claims	N/A	1,270	919	1,022	678	700	750

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	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Est.	2023 Est.
Number of cases resolved	430	992	556	425	600	600	600
Number of benefit payments made	4,114	2,250	2,425	2,600	1,984	2,650	2,750
Value of compensation and medical payments made	8,862,974	9,449,100	8,772,756	8,784,084	8,225,106	8,750,000	9,000,000
¹ Agency operating expenditures	1,589,940	1,787,862	2,010,988	2,015,260	1,940,363	2,000,000	2,000,000
Total expenditures	10,452,914	11,236,962	10,783,744	10,799,344	10,165,469	10,750,000	11,000,000

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Performance Measures	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Act.	2022 Est.	2023 Est.
Dollar amount of assessments collected (\$)	7,589,375	9,586,116	8,501,406	9,927,746	10,948,564	9,900,000	9,900,000
Interest on fund balance	110,847	121,238	122,793	96,035	20,075	21,000	21,000
Recovery of benefit payments owed by uninsured employers	708,563	1,492,355	918,229	1,319,496	1,340,995	1,500,000	2,000,000
Total revenue	8,408,785	11,199,709	9,542,428	11,343,277	12,309,634	11,421,000	11,921,000
Ratio of total expenditures to total revenue for the year	1.24:1	1.00:1	1.13:1	0.95:1	0.83:1	0.94:1	0.92:1

NOTES

¹ 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.

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	2021 Actual	2022 Appropriation	2023 Allowance
Number of Authorized Positions	13.00	13.00	13.00
01 Salaries, Wages and Fringe Benefits	1,586,249	1,649,592	1,605,191
02 Technical and Special Fees	500	3,321,000	3,321,000
03 Communications	21,512	21,508	21,508
04 Travel	18,000	15,825	15,825
08 Contractual Services	146,606	199,730	195,555
09 Supplies and Materials	17,000	17,000	17,000
10 Equipment - Replacement	10,000	10,000	10,000
13 Fixed Charges	140,496	139,996	141,074
Total Operating Expenses	353,614	404,059	400,962
Total Expenditure	1,940,363	5,374,651	5,327,153
Special Fund Expenditure	1,940,363	5,374,651	5,327,153
Total Expenditure	1,940,363	5,374,651	5,327,153
Special Fund Expenditure			
C96301 Uninsured Employers' Fund	1,940,363	5,374,651	5,327,153
Total	1,940,363	5,374,651	5,327,153

3 Year Position Summary

Classification Title	FY 2021 Positions	FY 2021 Expenditures	FY 2022 Positions	FY 2022 Appropriation	FY 2023 Positions	FY 2023 Allowance
C96 - Uninsured Employers' Fund						
C96J0001 - General Administration						
Admin Officer II	1.00	65,190	1.00	65,844	1.00	65,844
Admin Prog Mgr I	1.00	91,975	1.00	92,897	1.00	92,897
Admin Spec III	2.00	56,200	2.00	94,173	2.00	94,173
Administrative Mgr Senior I	1.00	37,478	1.00	90,604	1.00	75,012
Asst Attorney General V	0.00	0	0.00	0	1.00	89,190
Asst Attorney General VI	2.00	199,416	2.00	201,416	2.00	201,416
Asst Attorney General VII	2.00	186,188	2.00	212,849	1.00	107,434
Exec Dir Uninsured Employer Fund	1.00	123,850	1.00	125,096	1.00	125,096
Fiscal Accounts Technician II	1.00	27,284	1.00	37,039	1.00	37,039
Prgm Mgr IV	1.00	0	1.00	70,280	1.00	70,280
Principal Counsel	1.00	123,496	1.00	124,734	1.00	124,734
Total C96J0001	13.00	911,077	13.00	1,114,932	13.00	1,083,115