

STATE FUNDS

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State funds have traditionally been considered the market of last resort. If an employer was unable to obtain insurance, then the state fund was the company to provide coverage. In essence, they were the residual market or assigned risk pool for their state. Many state funds were supported by the state government.

The times are changing; some state funds are no longer the market of last resort. They are self-supporting and compete with the private market. Other funds compete with the private market but are the carrier of last resort, while some funds are non-profit and compete.

Lately, newer funds have been established as mutual insurance corporations. After their creation, assigned risks pools were eliminated as these mutual insurance corporations became the market of last resort.

Another category of state funds is funds where certain employers must insure with the fund. For example, state government in Oregon must be insured by SAIF; South Carolina State Fund insures only state, city and county agencies.

State funds now come in all shapes, forms and combinations. In spite of this, state funds can be divided into two main categories: Exclusive state funds and non-exclusive state funds.

Exclusive State Funds

An exclusive state fund is an entity that ensures all of the employers (there may be few exceptions) in a state. An example of an exclusive state fund is the Ohio Bureau of Workers' Compensation (BWC). The private market is not allowed to compete with the BWC. It should be noted that even in a state with an exclusive state fund employers may be self-insured and not use the fund.

The exclusive state funds are:

<u>State</u>	<u>Fund Name</u>
North Dakota	Workforce Safety and Insurance (WSI)
Ohio	The Ohio Bureau of Workers' Compensation (BWC)
Puerto Rico	The State Insurance Fund Corporation of Puerto Rico
Washington	The Washington State Fund
Wyoming	The Workers' Safety and Compensation Division

Non-Exclusive State Funds

A non-exclusive state fund is difficult to define as outlined above. However, non-exclusive state funds are not the only market in the state.

The non-exclusive state funds are:

<u>State</u>	<u>Fund Name</u>
Arizona	The Arizona State Compensation Fund
California	State Compensation Insurance Fund (SCIF)
Colorado	Pinnacol Assurance
Hawaii	Hawaii Employers' Mutual Insurance Company, Inc. (HEMIC)
Idaho	The Idaho State Insurance Fund
Kentucky	Kentucky Employers' Mutual Insurance (KEMI)
Louisiana	Louisiana Workers' Compensation Corporation (LWCC)
Maine	Maine Employers' Mutual Insurance Company (MEMIC)
Maryland	The Injured Workers' Insurance Fund (IWIF)
Minnesota	The Minnesota State Fund Mutual Insurance Company (SFM)
Missouri	Missouri Employers' Mutual Insurance (MEM)
Montana	The Montana State Compensation Insurance Fund
New Mexico	The New Mexico Mutual Casualty Company
New York	The New York State Insurance Fund
Oklahoma	CompSource Oklahoma (CSO)
Oregon	SAIF Corporation
Pennsylvania	The Pennsylvania State Workers' Insurance Fund (SWIF)
Rhode Island	The Beacon Mutual Insurance Company
South Carolina	The South Carolina State Accident Fund
Texas	Texas Mutual Insurance Company
Utah	The Workers' Compensation Fund of Utah (WCF)

