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## **SPECIAL FUNDS MAJOR MEDICAL INSURANCE FUND FAQ'S**

### **What is the Special Funds Unit?**

Special Funds is a Unit within the Division of Workers' Compensation that consists of the Major Medical Insurance Fund (MMIF), Subsequent Injury Fund (SIF), and the Medical Disaster Fund (MDF).

### **How is Special Funds funded?**

Special Funds is funded by a surcharge assessed against insurance carriers based on the amount of premiums they receive.

### **What is the Major Medical Insurance Fund?**

MMIF takes the place of the original carrier in paying medical benefits only, for eligible claims with a Date of Injury (DOI) between 7/1/71 and 6/30/81.

### **What qualifies a claimant to be admitted into MMIF?**

To admit a claimant into MMIF, the injury must have occurred between 7/1/71 and 6/30/81 and the carrier must have spent \$20,000 in medical costs. (Injury of 1971—1973, \$7,500 in medical costs.) Once admitted into MMIF, the carrier is no longer responsible for medical costs, only compensation

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### **Is there a capitation on expenditures in MMIF?**

There is no capitation on expenditures in MMIF. All admitted claims remain open unless settlement is reached or the claimant is deceased.

### **Who pays compensation to MMIF claimants?**

Time lost from work and disability payments are paid by the original carrier.

### **Who pays for medical treatment related to an injury occurring after 6/30/81?**

The original carrier on the claim is responsible for all medical and compensation payments on injuries occurring after 6/30/81.

### **What type of medical care are MMIF claimants having with a 20+ years old injury?**

Most of the cases in MMIF are catastrophic injuries and chronic pain. Medical treatment consists of doctor visits, medication, hospitalizations and surgery, as well as medical supplies and durable medical equipment (DME). As the MMIF clients age, MMIF is also paying for more home care and nursing homes.

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### **How many claimants are in MMIF?**

As of 1/31/01, there were 1,526 claimants in MMIF.

### **Does MMIF still get new admissions?**

Yes. In the last fiscal year, MMIF admitted two (2) cases and another one (1) is pending admission.

### **Can claimants settle their claims?**

### **What types of settlements are usually given?**

Yes. MMIF is under a mandate from the legislature to settle as many claims as possible. Settlements are usually done on a full and final basis, but structured settlements also occur. Settlements are based on the claimant's past medical expenses and projected future costs.

### **How many more years will MMIF continue to have open cases?**

The latest actuarial report anticipates MMIF will have open cases until the middle of this century, approximately 2049.

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## How does a claimant provide MMIF with a change of address?

All changes of address must be submitted to MMIF in writing.

## What effort is being made to close dormant MMIF cases?

Whenever possible, inactive claimants are being contacted to determine if they need further medical care. Many beneficiaries are not receiving their entitlement due to misunderstanding, lapse of memory, or unaware of their entitlement. If no further care is needed, their cases are closed.

### Division of Workers' Compensation Special Funds Major Medical Insurance Fund

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Department of Labor and Employment

## DIVISION OF WORKERS' COMPENSATION



## Special Funds Major Medical Insurance Fund