

November 1, 2009
SECOND INJURY FUND
STATUS REPORT

November 1st, 2009

To the Indiana Worker's Compensation Community:

We are nearing the end of another year with the Second Injury Fund in the black. I am happy to report that our calculations were on point and that the SIF will have sufficient funds to meet its obligations through the end of the year.

When the formula for calculating the assessment was changed in 2006, a provision was inserted which would allow the Board to repay itself for the loans to the Fund made in previous years. The assessment was also to cover SIF administrative expenses incurred by the Board. Due to an inconsistency in the language of IC 22-3-3-13, the Board has only withdrawn one installment of the loan repayment and no administrative expenses. This has created the credit. We hope to clear up this discrepancy in the legislature this year so these funds may be paid to the Board.

Also, in accordance with IC 22-3-3-13(c)(2), I report to you that as of November 1, 2009 the amount to the credit of the Second Injury Fund is \$ 895,600.00. Disbursements for 2008 totaled \$4,392,986.99. The assets in the Fund are less than 135% of the previous year's payments, and thus an assessment is appropriate for 2010.

Please don't hesitate to contact me or Mary Taivalkoski if you have questions or wish to discuss this report or any other aspect of the SIF. Our final report and analysis will follow in December, along with the formula for the 2010 assessment.

Yours Very Truly,

Linda Peterson Hamilton