

Maine Merchants Association Workers' Compensation Trust Fund

5 Wade Street | Augusta, ME | www.manieworkerscompensation.com



What is the Maine Merchants Association Workers' Compensation Trust Fund?

Formed in 1992, MMAWC Trust was formed by a Board of Trustees to give their members the resources to control their workers compensation costs. Focusing only on Maine merchants and retail businesses, the program provides aggressive claims management, high-level loss control and dividends returned to members for good performance. **Join Your Peers!**

Sponsoring Partners

The MMA is an endorsed member of the following associations:

- Retail Association of Maine
- HospitalityMaine

Program Highlights

- Competitive Pricing
- Dividends Returned to Members for Good Performance
 - o Nearly \$5M Distributed to Members since Inception
- Stable Environment; Unlike the carrier market, our services and appetite do not fluctuate regardless of exposure or risk
- 91 Member Organizations representing payrolls of \$129M
- Over \$3,200,000 in Annual Premium
- Oversight Provided by Board of Trustees Comprised of Member Companies
- Average Group incurred Loss Ratio is 66.01%
- Excess Insurance for Catastrophic Coverage Provided by Safety National (A+ rated)
- Aggressive Claims Management – Claims and Loss Control Teams Located in MMA Offices in Augusta, Maine
 - o MMA Dedicated Claims Team, Nurse Case Manager and Supervisors



For more information, please contact:

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MMA MEMBERSHIP ELIGIBILITY REQUIREMENTS

Prospective applicants for membership must comply with the following:

- Minimum of four (4) years in business
- Minimum Annual Work Comp premium of \$5,000
- Experience Mod Rating of 1.20 or better
- CPA Prepared Financial Statements
- Positive Net Income in the most recent fiscal year
- Four (5) years of currently valued WC loss runs

Applicants must complete the preliminary information form provided by MMA.

Applicants must provide, signed letter of authorization, on letterhead, granting MMA authorization to obtain your current Experience Mod Rating from National Council on Compensation Insurance (NCCI). Sample letter is attached.

Applicant must provide a copy of your current worker's compensation policy declarations page, confirming current payroll, classification codes and policy period dates.

Applicant must provide copies of detailed loss runs for the current policy year and three prior years. Loss runs should be valued within 30 days of submission.

Provide financial criteria as defined below:

- A) To be eligible for immediate membership upon a vote of the Board of Trustees, an applicant must have net worth of at least \$50,000 based upon current audited or reviewed financial statement and satisfy at least three of the four following financial standards.
- 1) Ratio of current assets to current liabilities of at least 1.0
 - 2) Ratio of long term debt to tangible net worth of no more than 1.2
 - 3) Ratio of total liabilities to equity of no more than 2.75
 - 4) Positive net income in at least one of the two most recent years.

Any applicant meeting 3 or more of the ratio thresholds and having a minimum net worth of \$50,000 based on current audited or reviewed financial statements will be considered eligible from a financial standpoint.

- B) In the event an applicant does not have audited or reviewed financial statements, an applicant may nevertheless be eligible for membership upon a vote of the Board of Trustees, if its application is supported by an actuarial projection or a determination by the Trust's actuary that the application is insignificant from the actuarial standpoint, and the CPA prepared financials statements, or if not available, based upon federal tax filings of the applicant:
- 1) The ratio of current assets to current liabilities of at least 1.0
 - 2) The ratio of total liabilities to equity of not more than 3.5
 - 3) Positive net income in the most recent fiscal year

After all requirements for admission to the Maine Merchants Association Workers' Compensation Trust Fund have been met by a prospective new member, a safety evaluation of your operation and premises will be conducted prior to formal acceptance by the Board of Trustees.