**Legal Title**  
Workers' Compensation Managed Care Fund

**Legal Citation/Authority**  
Chapter 282, Statutes of 1998 (SB 2101)  
Labor Code section 4600.7

<table>
<thead>
<tr>
<th>Fund Classification</th>
<th>Fund Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GAAP Basis</strong></td>
<td><strong>Legal Basis(s)</strong></td>
</tr>
<tr>
<td>Governmental/Special Revenue Funds</td>
<td>Governmental/Other Governmental Cost Funds</td>
</tr>
</tbody>
</table>

**Purpose**  
The fund was established for the administration of Sections 4600.3 and 4600.5 by the Division of Workers’ Compensation. Fees and revenues to be charged to certified health care organizations and applicants for certification will be deposited in this fund.

**Administering Agency/Organization Code**  
Department of Industrial Relations/Org 7350

**Major Revenue Source**  
Fees and revenues received charged to certified health care organizations and applicants.

**Disposition of Fund (upon abolishment)**  
Pursuant to Government Code 16346, absent language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.

**Appropriation Authority**  
Money in this fund is to be expended upon appropriation by the Legislature.

**State Appropriations Limit**  
Excluded - Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues are used to regulate the activities engaged in by the payers.

**Comments/Historical Information**  
Chapter 152, Statutes of 1994 created this fund.

The General Fund loan provided to fund per Chapter 282, Statutes of 1998, was paid in full 6/12/07.

1/1/10 California code of Regulations, Sections 9771 subdivision (f) and (g)(1) were revised to reduce certification fees. As a result of these regulations changes the revenue has dropped dramatically and the funds appropriation was reduced in commensurate.