

Department of Finance		Fund: 0313a
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Major Risk Medical Insurance Fund		
<u>Legal Citation/Authority</u> Chapter 5, Statutes of 2009 (4 th Ex. Sess.) Section 23 Insurance Code section 12739 (a)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/Other Governmental Cost Funds	
<u>Purpose</u> Funds are used to cover California Major Risk Medical Insurance Program expenses, including program expenses that exceed subscriber contributions, and to cover expenses related to Health and Safety Code sections 10127.15 or 1373.62.		
<u>Administering Agency/Organization Code</u> Department of Health Care Services/Org 4260		
<u>Major Revenue Source</u> Insurance Code section 12739 (b) states that after June 30, 1991, the following amounts shall be deposited annually in the Major Risk Medical Insurance Fund: (1) Eighteen million dollars (\$18,000,000) from the Hospital Services Account in the Cigarette and Tobacco Products Surtax Fund. (2) Eleven million dollars (\$11,000,000) from the Physician Services Account in the Cigarette and Tobacco Products Surtax Fund. (3) One million dollars (\$1,000,000) from the Unallocated Account in the Cigarette and Tobacco Products Surtax Fund.		
<u>Disposition of Fund (upon abolishment)</u> Transfer to the Health Care Services Plan Fines and Penalties Fund.		
<u>Appropriation Authority</u> Notwithstanding Government Code section 13340, this fund is continuously appropriated to the Managed Risk Medical Insurance Board for the purposes specified in Health and Safety Code sections 10127.15, 12739.1, and 1373.62.		
<u>State Appropriations Limit</u> Always Excluded - The major revenue source is transferred from another fund which has already been counted in included or always excluded funds, the Cigarette and Tobacco Products Surtax Fund (#0236), the Health Services Account, and the Physician Services Account (#0233), and should not be double counted.		
<u>Comments/Historical Information</u> Chapter 1168, Statutes of 1989 (AB 60) created this fund as the Major Medical Insurance Fund. Chapter 1060, Statutes of 1990 (AB 3000) changed the fund title to Major Risk Medical Insurance Fund.		

Chapter 5, Statutes of 2009 (4th Ex. Sess.) Section 23 revised the major revenue source from \$30 million deposited annually from the Unallocated Account of the Cigarette and Tobacco Products Surtax Fund to the amounts listed above. In addition, the purpose of Board's appropriation authority was expanded.

December 2013 revision changed the Administering Agency from the Managed Risk Medical Insurance Board/Org 4280 to Department of Health Care Services/Org 4260.

January 2020: Chapter 52, Statutes 2017 (SB 97), Welfare and Institutions Code section 15893 (c), abolished this fund effective July 1, 2017. Any remaining balance, assets, liabilities, and encumbrances of the Major Risk Medical Insurance Fund as of July 1, 2017, shall be transferred to, and become part of, the Health Care Services Plan Fines and Penalties Fund (Fund 3311).