



<April 13, 2020>

STATE FUND

Dear Chester J. Chow,

To show our gratitude and support for the essential workers and businesses supporting us all through the COVID-19 crisis, State Fund today announced two separate funds to assist with the health and recovery of California workers and workplace safety for businesses.

The first fund – the **Essential Worker Support Fund** -- is a \$25-million-dollar relief fund for any of our policyholder's essential workers, as defined by Governor Newsom's Executive Order, who contract COVID-19 or are ordered to self-isolate due to potential exposure.

The Essential Worker Support Fund provides:

- assistance with wage replacement up to 6 weeks
- assistance for workers without health coverage who have uncovered medical costs
- assistance with copayments and deductibles for workers who do have health coverage as well as up to 6 weeks of wage replacement

Assistance is offered regardless of any potential legal uncertainty about whether the COVID-19 diagnosis arose from the essential worker's employment and will not impact the worker's ability to pursue full workers' compensation benefits. Any COVID-19 claim that is clearly work related will receive full workers' compensation benefits and not draw down on this fund. If

the fund is depleted, State Fund's board will consider authorizing additional funds. Any payments State Fund makes outside of a workers' compensation claim will not impact the policyholders experience modification.

The second fund – the **Essential Business Support Fund** -- is a \$25 million fund for policyholders who are essential businesses as defined by Governor Newsom's order. The fund provides grants to qualified policyholders to help defray the cost of safety-related expenses, whether planned or already incurred, related to protecting their workforces from COVID-19.

The grants will be up to \$10,000 or two times the policyholder's premium, whichever is less. We will review requests for grants on a first-come, first-served basis and will discontinue payments when the \$25 million fund is depleted. We will keep all applications in the order they were received in case additional resources become available.

We are currently working through the application process and will provide additional details soon to encourage participation from our mutual clients and help you answer questions.

State Fund's Board of Directors will meet on Friday, April 17, to review the impacts of COVID-19 on our policyholders and injured workers and will consider additional ways in which we can provide support.

We will continue to keep you updated as we have additional information.

Thank you,

Vern Steiner
President & CEO



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