



MEMORANDUM

To: MMIA Member-Owners

Date: October 20, 2025

From: Amanda Clark *Amanda Clark*
Interim CEO

Subject: MMIA Workers' Compensation Program to Wind Down

I want to share an important update regarding the MMIA Workers' Compensation Program. After extensive evaluation and thoughtful discussion, and with staff's recommendation, the MMIA Board of Directors voted on October 15, 2025, to begin the wind down of the program. Effective July 1, 2026, MMIA will no longer provide Workers' Compensation coverage.

MMIA will continue to manage all claims that arise during the coverage period. Claims that occurred during the coverage period will continue to be managed by MMIA even after the July 1, 2026, transition. We have been transparent about communicating the struggles the Workers' Compensation Program has faced over the last three years and we will continue that effort to keep you, our member-owner, apprised as we move forward. A structured communications plan is in place to support a smooth transition and to keep member-owners informed throughout this process. Our team remains committed to assisting affected members and serving as a resource as they evaluate and secure coverage options for the future.

This decision was made in response to several key developments. Since 2023, twelve member-owners have transitioned to the Montana State Fund, resulting in a significant decline in program revenue. At the same time, while we have worked to reduce expenses when and where possible, there are still relatively similar costs to operating the program despite reduced revenue. With our federal litigation being dismissed earlier this year, MMIA leadership does not see a scenario where the competition ceases, meaning a further decline in revenue. While the Workers' Compensation Program remains financially sound and adequately funded currently, continuing the program beyond this year would create instability. Displaying a focus on financial stewardship, the Board determined that initiating the wind down now is the most responsible course of action. It allows our Workers' Compensation member-owners time to explore alternative coverage options and make informed decisions well ahead of the July 1, 2026, transition. Additionally, it allows the program to maintain adequate funding to ensure that current responsibilities for claims are paid for injured workers.

Although this decision directly impacts only those members currently participating in the Workers' Compensation Program, we believe it is important to share this update with our full membership across the organization. MMIA is built on a foundation of transparency, collaboration, and mutual trust. We understand that changes like this can raise questions, and we want all members to be informed about the strategic decisions shaping our organization. The MMIA Employee Benefits, Property, and Liability programs are all financially strong and will continue to provide the highest level of service to our member-owners.

We appreciate your continued partnership and trust in MMIA. Our commitment to providing stable, transparent, and member-focused services across all our programs remains unchanged.

Current members of the Workers' Compensation Program can expect to receive more information about this transition as we work through next steps. We are committed to working with you to navigate this transition. In the meantime, please feel free to reach out with any questions you may have.

