MINUTES

PCF OVERSIGHT BOARD

September 6, 2012

OUR LADY OF THE LAKE REGIONAL MEDICAL CENTER
BATON ROUGE, LA.

Mr. Clark Cossé, Chairman convened the meeting of the Patient's Compensation Fund Oversight Board, at 6:30 PM on Thursday, September 6, 2012.

The following Board Members were in attendance:

Mr. Clark Cosse'	Dr. Melanie McMullen
Mr. Kent Guidry	Dr. Katharine Rathbun
Mr. James Hritz	Dr. Van Culotta
Dr. Patrick Breaux	

The following Board Members were absent:
Mr. Manuel DePascual
Mr. Joe Donchess

Others present:

Mr. Ken Schnauder	Mr. Greg Waddell	Mr. Dave Woolridge
Ms. Barbara Woodard	Mr. Adam Thames	
Ms. Shelly Fowler	Mr. Ward Blackwell	
Ms. Betty Patrick	Ms. Lynn Duszynski	

Mr. Cossé called the meeting to order and asked that the record reflect seven Board Members were in attendance and a quorum was present. Mr. Cosse' welcomed the guests to the meeting and asked all present to introduce themselves.

Mr. Cossé asked for public comments or questions. No public comments were made.

Mr. Cossé called for the approval of the August 2, 2012 minutes. Dr. Rathbun moved for the minutes to be approved and Mr. Hritz seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé asked for the financial reports. Ms. Woodard informed the Board the Fund balance was approximately $742,708,467. As of this meeting, the total net collected in surcharge payments received for the fiscal year was approximately $20,646,257 and the net filing fees collected for the year are $45,300. Ms. Woodard reported the total interest earned to date for the

FY was $1,352,515 and as of the last check write operating expenses to date were $624,937 with the claim expenses at $12,973,282. The final FY'12 totals were presented to the Board. Dr. McMullen asked what the UAL currently was and what amount it would take for the PCF to be fully funded. Mr. Schnauder replied between $770,000,000 and $800,000,000. There were no further questions asked and no public comments.

Mr. Cossé called for discussion of the Investment Policy in regard to the cash fund and the 150% of expenditures that must be kept in liquid investments. Mr. Schnauder advised, to date, the cash fund is at the State Treasurer's Office in a Treasury Money Market Fund and in order to move that cash into an investment there needed to be legislation passed which would outline the investments allowable for the 150% of expenditures. Dr. Culotta made a motion that a bill be drafted and presented to the legislature during the 2013 Legislative Session in regard to the cash fund being moved into a designated type of investment. Mr. Hritz seconded the motion. There were no questions asked by the public. By verbal vote, the motion was approved with no dissenting votes.

Mr. Cossé called for a motion to adopt PCF Emergency Rule 4 in response to DOI Emergency Rule 26 "Suspending Certain Statutes and Rules due to Hurricane Isaac" which would become effective on August 26, 2012 and expire September 25, 2012. Mr. Woodridge advised the PCF should have its own emergency rule similar to that used for Hurricane Katrina (effective statewide) regarding the 2nd layer of coverage for the same time period as DOI's Emergency Rule. Mr. Cossé stated the PCF Emergency Rule 4 would apply to those affected by Hurricane Isaac and renewing their coverage with the dates beginning August 26, 2012 and ending September 25, 2012. Dr. McMullen made the motion to adopt the PCF Emergency Rule 3 and Dr. Culotta seconded the motion. By verbal vote, the motion was approved with no dissenting votes. Dr. Culotta called for a motion to authorize Mr. Greg Waddell of the Louisiana State Medical Society to explain the Emergency Rule 4 adopted by the Board to the physicians. The motion was seconded by Dr. Breaux. By a verbal vote, the motion was approved with no dissenting votes.

Mr. Cossé asked for the claims report. Mr. Schnauder stated that August had been a good month. More claims were closed than opened and the total number of open claims remains under 5,000. He advised the total interest paid out on claims this month was $202,272 and that $330,206 in legal fees and expenses were expended. Presented at this meeting were 19 claims for settlement approval in the amount of $5,428,311. Mr. Schnauder informed the Board that he received 15 resumes for the Claims Manager position and that he will begin to conduct interviews. Mr. Cossé stated that whoever is chosen should be able to perform the Executive Director's job. There were no questions asked and no public comments.

There being no further general business to discuss, Mr. Cossé asked if there were any questions or comments from the public. There were none. Mr. Cossé thanked the guests for attending the meeting and the General Session was adjourned. Dr. Culotta then moved for the Board to go into Executive Session and Dr. Breaux seconded the motion. The vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.

Mr. Clark Cossé III, Chairman

10/4/12
Date