MINUTES

PCF OVERSIGHT BOARD

February 7, 2013

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, February 7, 2013.

The following Board Members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Melanie Firmin-McMullen
Mr. Kent Guidry	Dr. Katharine Rathbun
Dr. Patrick Breaux	Dr. Van Culotta
Mr. James Hritz	Mr. Manuel DePascual

Board members absent:
Mr. Joe Donchess

Others present:

Mr. Ken Schnauder	Mr. Larry Warren
Ms. Barbara Woodard	Dr. Ward Blackwell
Ms. Betty Patrick	Mr. Adam Thames
Mr. Dave Woolridge	Mr. Greg Waddell

Mr. Cossé called the meeting to order and asked that the record reflect eight Board Members were in attendance and a quorum was present. Mr. Cossé 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 January 3, 2013 minutes. Dr. Culotta moved for the minutes to be approved and Dr. Breaux seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé asked for update and discussion on the PCF Investment Portfolio. Mr. Schnauder advised the Board that the Treasurer's Office has been contacted about purchasing mutual funds under the current portfolio. The Treasurer has not made a decision but is considering it. Dr. Firmin-McMullen and Mr. Cossé will contact the Treasurer if needed to discuss further.

Mr. Cossé asked for the financial reports. Ms. Woodard informed the Board that the fund balance for the current FY to date was approximately $799,489,159, the total net collected in surcharge payments to date was approximately $116,606,741, the total net filing fees collected to date were $146,000, the total interest earned to date was $6,628,442, the total operating expenses to date were $2,382,458, which is half of the budget, and the claims expenses to date were $55,772,180. Dr. Cullotta asked if the Board will have any planning meetings regarding PCF becoming fully funded. Mr. Cossé advised the answer was yes; becoming fully funded will continue to be the goal of the Board and we will await the actuarial report before further discussions and decisions are made. Dr. Rathbun asked if the Board has the right to decrease rates or refund previously paid surcharges. Mr. Cosse advised that the goal is to get the surcharge rates as close to those of Texas and Mississippi as possible which are currently 20% cheaper than Louisiana. Mr. Woolridge will investigate the refunds. There were no questions asked and no public comments.

Mr. Cossé asked for the claims report. Mr. Schnauder informed the Board that January had been an active month. There were 134 claims opened and 127 claims closed, ending the month with a total pending claim count of 4,892. The total judicial interest paid for the month was $647,158 and $195,921 in legal fees and expenses were paid. He advised that the final number of panels filed in 2012 was 1,424. 115 panels were filed in the month of January. All the 2012 surcharge and claims information has been sent to the actuary, Mr. Jim Hurley. Mr. Schnauder presented 22 claims for settlement approval for the month in the amount of $7,425,166. The rulings on two 3rd Circuit cases were discussed: *Billy Arrington vs. Richard Samudia, M.D., et al* and *Emma Breaux, et al vs. Lafayette General Medical Center, et al.* There was also a discussion on physicians working for State facilities in private hospitals and whether the State Medical Malpractice Act would cover these physicians or whether they would require PCF coverage. Legislation may be needed to prepare for the coming changes to eliminate some of the coverage concerns. There were no questions asked and no public comments made.

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. There being no further general business to discuss, General Session was adjourned. Dr. Rathbun then made a motion for the Board to move into the Executive Session and Mr. DePascual seconded the motion. The verbal vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.

Clark R. Cossé

Mr. Clark Cossé III, J.D., Chairman

March 7, 2013

Date